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LISTING STATEMENT NO. 2687

LISTED October 7, 1974

147,900,182 Ordinary Stock Units of £1 each,
of which 3,927,956 Units are subject to issuance.Stock Symbol BUH
Post Section 10.1

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

THE BURMAH OIL COMPANY LIMITED

Incorporated in Scotland on May 15, 1902, under
the Companies Act 1862-1902.

CUSIP 122169 10 5

CAPITALIZATION AS AT JULY 15, 1974

SHARE CAPITAL

<u>Authorized</u>		<u>Issued, Fully Paid and Outstanding</u>	<i>pn</i> <u>To be Listed</u>
250,000	6 per cent Cumulative First Preference Stock Units of £1 each	250,000	
750,000	6 per cent Cumulative Second Preference Stock Units of £1 each	750,000	
3,000,000	8 per cent Cumulative Preference Stock Units of £1 each	3,000,000	
15,000,000	7 1/4 per cent Cumulative Redeemable Preference Stock Units for £1 each	15,000,000	
*147,900,182	Ordinary Stock Units of £1 each	143,972,226	147,900,182
33,099,818	Unclassified Shares of £1 each	—	
200,000,000		162,972,226	

* An aggregate of 3,927,956 Ordinary Stock Units have been reserved to satisfy in full the rights of holders of Ordinary Stock Warrants 1972-1975.

Reference is made to Item 11 (a) on page 8 for particulars of the Company's Share Option Schemes.

FUNDED DEBT

Reference is made to the Schedule of Funded Debt in Item 10 on page 7.

1.

APPLICATION

The Burmah Oil Company Limited (hereinafter called the "Company") hereby makes application for the listing on The Toronto Stock Exchange of 147,900,182 Ordinary Stock Units of £1 each, fully paid, of which 3,927,956 Ordinary Stock Units are subject to issuance to satisfy in full the rights of holders of Ordinary Stock Warrants 1972-1975 as detailed in Item 11.

Reference is made to the 1973 Annual Report of the Company attached to and forming part of this Listing Statement.

Reference is made to the summary of group results for the half-year to June 30, 1974, attached hereto and made a part hereof, which summary was provided at September 19, 1974, subsequent to the signing of this Listing Statement on August 8, 1974.

2.

HISTORY

The business of Burmah was founded in 1886, and the present Company was incorporated in Scotland in 1902.

As at December 31, 1973, the Burmah group had properties and operating assets of £304 million, and employed 38,700 people in the United Kingdom and overseas, mainly engaged in the various branches of the petroleum industry; searching for, producing, and transporting crude oil and natural gas, manufacturing and marketing the products, and providing research facilities in laboratories and test centres.

3.

NATURE OF BUSINESS

There are some 280 subsidiaries, a major one of which is Castrol Limited, which manufactures and markets throughout the world high-quality motor oils, and marine, aviation, and industrial oil products.

Burmah's main oil and gas reserves are in the British North Sea, Canada, the United States, Australia, India, Pakistan, and Ecuador. The group explores for new reserves in those countries and elsewhere. Woodside-Burmah, in which Burmah holds a majority interest, has a major stake in substantial accumulations of gas and condensate on the Australian North-West shelf.

Burmah Oil Tankers Limited is concerned with crude oil and liquid natural gas transportation, and is expanding its U.S. activities by providing an oil transshipment service based in the Bahamas.

In Britain, in addition to the marketing of fuels, lubricants, and other petroleum products, Burmah's expanding interest in the motorist's market is being actively developed through Halfords, retailers of automotive products. The Quinton Hazell group manufactures a wide range of motor vehicle components.

Burmah Industrial Products co-ordinates the manufacture and supply of specialty products to the building, packaging, rubber, and electrical industries by Atlas, Campbell Technical Waxes, Dussek, Expandite, Rawlplug, and Solignum.

The group's specialized engineering services are co-ordinated by Burmah Engineering, comprising Flexibox, manufacturers of mechanical seals and flexible couplings, Petrocarbon Developments, contractors in the oil, petro-chemical and pipeline industries, Dynaflex, suppliers of garage equipment, and J.H. Carruthers & Co. Ltd., manufacturers of electric travelling cranes, including the award-winning Monobox.

Other interests include Edwin Cooper, which holds an important international position in the manufacture and marketing of chemical additives for the petroleum industry.

On the continent of Europe, Castrol is widely marketed, and there are fuel marketing networks in Belgium, the Netherlands, and Sweden. The Veedol European and Canadian subsidiaries of the Getty Oil Corporation were acquired during 1973, further expanding the motor oil market. The link between the motorist's market and the leisure market is reflected in Tabbert, West Germany's leading manufacturer of high-quality caravans, and the newly-formed Burmah Caravan Parks in Germany and the Netherlands.

Burmah has an interest in KMS Fusion Inc., an American company conducting long-term research into a new and advanced process for producing thermo-nuclear energy by controlled laser-driven fusion.

Early in 1974, Burmah acquired the Signal Oil & Gas Company, which produces oil and gas principally in the United States, but also in Argentina, and has extensive exploration interests in the United States, the North Sea (both British and Netherlands), Ghana, and Peru. Signal also sells fuel oil and liquefied petroleum gas in the United States, and has interests in gas-processing plants and geothermal steam projects in that country.

On June 7, 1974, the Company's subsidiary, Burmah Oil Canada Limited (Burmah Canada), made an offer to purchase the outstanding \$1 shares of Great Plains Development Company of Canada, Ltd. (Great Plains), not already owned by Burmah Canada. On July 12, 1974, the offer became unconditional, acceptances have been received in respect to over 90 per cent of the 1,148,100 shares subject to the offer. As a result, Burmah Canada owns approximately 99 per cent of the shares of Great Plains as of August 8, 1974. As a condition of the offer, the outstanding \$30,000,000 of debentures of Great Plains are to be redeemed on August 21, 1974.

The group currently holds 21.5 per cent of the equity of The British Petroleum Co. Ltd.

4.

INCORPORATION

The Company was incorporated under the Laws of Scotland on May 15, 1902, with an authorized capital of £1,500,000 divided into 250,000 Preference Shares of £1 and 1,250,000 Ordinary Shares of £1. The authorized capital has been increased at various dates as follows:

May, 1902	6 per cent Preference Shares of £1 Ordinary Shares of £1	£ 250,000 1,250,000
March, 1905	6 per cent Second Preference Shares of £10 Ordinary Shares of £1	750,000 250,000
June, 1910	Ordinary Shares of £1	1,000,000
August, 1918	Ordinary Shares of £1	2,500,000
June, 1920	Ordinary Shares of £1	1,000,000
June, 1921	8 per cent Preference Stock of £1	3,000,000
June, 1926	Ordinary Shares of £1	1,000,000
June, 1933	The issued Preference Shares and Ordinary Shares of the Company were converted into Stock transferable in units of £1	
June, 1934	Ordinary Shares of £1	2,500,000
June, 1938	Ordinary Shares of £1	5,000,000
August, 1952	Ordinary Shares of £1	6,500,000
July, 1955	Ordinary Shares of £1	25,000,000
July, 1959	Ordinary Shares of £1	40,000,000
September, 1962	Ordinary Shares of £1	20,000,000
June, 1964	Ordinary Shares of £1	20,000,000
March, 1966	7½ per cent Redeemable Preference Shares of £1	15,000,000
March, 1966	Unclassified Shares of £1	10,000,000
December, 1966	Unclassified Shares of £1	10,000,000
September, 1972	Unclassified Shares of £1	35,000,000
		<u>£200,000,000</u>

By virtue of certain restrictions contained in the Companies Act, 1948, the Company cannot issue stock directly, but can only issue shares which are converted into stock upon becoming fully paid.

SHARES ISSUED DURING PAST TEN YEARS

Date	Number of Ordinary Shares issued	Par value	Premium	Purpose of Issue
June, 1964	23,515,540	£23,515,540	Nil	Capitalization issue of 1 new Ordinary Share for every £4 Ordinary Stock
December, 1966	6,364,131	6,364,131	Nil	Issued as part consideration for acquisition of Castrol Limited
November, 1968	4,860,000	4,860,000	Nil	Issued as consideration for acquisition of Rawlplug Limited
March, 1969	468,200	468,200	Nil	Issued as consideration for acquisition of Major Limited
June, 1969	1,757,895	1,757,895	4,101,755	Issued on exercise of conversion rights by holders of 7½ per cent convertible unsecured Loan Stock 1981-1986
December, 1969	3,406,567	3,406,567	Nil	Issued as consideration for acquisition of Halfords Limited
June, 1972	99,951	99,951	299,853	Issued on exercise of subscription/conversion rights of holder of Ordinary Stock Warrants 1972-1975
October 1972-1973	8,930,878	8,930,878	27,082,363	Issued as part consideration for acquisition of Quinton Hazell (Holdings) Limited
January-June, 1973	362,376	362,376	1,349,851	Issued as part consideration for acquisition of Alexander Cheyne Ltd.
June, 1973	58,760	58,760	176,280	Issued on exercise of subscription/conversion rights by holder of Ordinary Stock Warrants 1972-1973
June, 1974	85,769	85,769	257,307	Issued on exercise of subscription/conversion rights by holder of Ordinary Stock Warrants 1972-1975
<u>7½ per cent Cumulative Redeemable Preference Shares 1981-1986</u>				
March, 1966	15,000,000	15,000,000	Nil	To subscribe for British Petroleum Rights Issue, thereby maintaining Burmah's proportioned holding in BP.

STOCK PROVISIONS AND VOTING POWERS

Voting Powers

Each £1 unit of 6 per cent Cumulative First Preference Stock, 6 per cent Cumulative Second Preference Stock and Ordinary Stock carries one vote at all General Meetings of the Company.

Holders of the 8 per cent Cumulative Preference Stock and 7½ per cent Cumulative Redeemable Preference Stock have no right to attend or vote, either in person or by proxy, at any general meeting of the Company, or to receive notice of such meeting unless the meeting is convened for the passing of resolutions affecting the rights of such preference stockholders, or when their preference dividends for any year ending December 31 are not wholly paid within six months of the expiry of such year.

Priority

6 per cent Cumulative First Preference, 6 per cent Cumulative Second Preference, 8 per cent Cumulative Preference and 7½ per cent Cumulative Redeemable Preference Stock rank in that order, for dividend, and in a liquidation, for repayment of capital. In the event of a liquidation, repayment of capital would be as follows:

6 per cent Cumulative First Preference

At par.

6 per cent Cumulative Second Preference

At a premium of 10 per cent payable out of the surplus assets remaining after paying all liabilities and repaying 1st and 2nd preference capital.

8 per cent Cumulative Preference

At a premium of 15 per cent or a sum equal to the average premium above par (as certified by the Secretary of The Scottish Stock Exchange) at which stock shall have been dealt in on the market during the preceding 6 months, whichever is higher.

7½ per cent Cumulative Redeemable Preference

At a premium (proportionate in a partial repayment) of whichever shall be the greater of either (a) a sum equal to the excess over par of the average of the respective means (less net accruals of dividend) of the daily nominal quotations at which the stock shall have been quoted on The Stock Exchange, London, during the previous 6 months, or (b) a sum per £1 unit of stock of 7½p up to October 31, 1982, 5p thereafter up to October 31, 1986, and nil thereafter.

Redeemable Preference Stock is redeemable, at the Company's option (subject to Section 58 of Companies Act, 1948, and to each of the issues of preference capital ranking in priority thereto having been repaid or holders thereof having given any necessary consent) all or part (by drawings) on or at any time after October 31, 1981, on 3 months' notice at par plus a premium calculated as shown above.

Ordinary Stock Warrants 1972-1975

- (a) If at any time while any of the Warrants are outstanding the Company offers any shares for subscription by its Ordinary Stockholders registered on a record date prior to the final election date, the Company will at the same time offer to each holder of a Warrant the same subscription rights to which he would have been entitled had he been the holder of the amount of Ordinary Stock specified in his Warrants.
- (b) So long as any of the Warrants are outstanding:
 - (i) The Company shall keep available for issue sufficient unissued Shares to satisfy in full the rights comprised in the Warrants.
 - (ii) The Company shall not reduce its Ordinary Capital, or (except as authorized by Sections 56 (2) and 58 (5) of the Companies Act, 1948) its share premium account or capital redemption reserve fund.
 - (iii) The Company shall not make any issue if the effect thereof would be that on the exercise of the conversion or subscription rights the Company would be required to issue Ordinary Shares at a discount.
 - (iv) The Company shall not offer or grant options or conversion rights in respect of Ordinary Stock on terms more advantageous in relation to the middle market quotation for the Ordinary Stock of the Company ruling on The Stock Exchange, London, ten working days before the final fixing of the terms of such options or conversion rights than those conferred on the Warrants in relation to such middle market quotation on March 27, 1969, except pursuant to an offer or invitation falling within paragraph (a) above or except to executive directors or employees of the Company or of its subsidiaries over ordinary share capital, the nominal amount of which together with the aggregate nominal amount of any ordinary share capital over which options to executive directors or employees shall then be subsisting, does not at the date of grant of such options exceed in the aggregate 5 per cent of the nominal amount of the ordinary share capital then in issue.
 - (v) The Company will not (save where in the opinion of the Directors of the Company and their financial advisers it would not be materially prejudicial to the interests of Ordinary Stockholders so to do) create or issue any equity share capital which does not (except as to rights of voting and except as to the date from which the same shall rank for dividend) form one class with a class of equity share capital then in issue.

Details of conversion and subscription rights are given in Item 11.

ORDINARY STOCK

Company's Financial Year	Date of Payment	Actual Dividend Declared per Share	Decimal Equiv- ivalent of Gross Dividend	Total Gross Payment in Pence Per Share	Amount of Gross Dividend	Total Annual Dividend
1964 Interim Final Capital Payment	December 4, 1964	8d tax free	5.44p	£ 6,398,785		
	June 16, 1965	1/8d tax free	14.18p	16,677,724		
	December 4, 1964	3d tax free	1.25p	1,469,721		
1965 Interim Capital Payment Capital Payment Final	December 3, 1965	8d tax free	5.67p	6,671,077		
	December 3, 1965	2.6175d	1.09p	1,282,334		
	April 1, 1966	3.3825d	1.41p	1,657,145		
1966 Interim 2nd Interim Final	June 29, 1966	1/10d gross	9.17p	10,777,955		
	December 2, 1966	1/2d gross	5.83p	6,858,699		
	March 31, 1967	6 1/2d gross	2.71p	3,356,758		
1967 Interim 2nd Interim Final	June 15, 1967	1/3 1/2d gross	6.46p	8,004,685		
	December 6, 1967	1/3d gross	6.25p	7,746,364		
	March 29, 1968	8 1/2d gross	3.54p	4,389,711		
1968 Interim 2nd Interim Final	June 13, 1968	1/2d gross	5.83p	7,229,940		
	December 4, 1968	1/3d gross	6.25p	7,746,364		
	April 3, 1969	1/1d gross	5.42p	6,976,765		
1969 Interim Final	June 12, 1969	11d gross	4.58p	5,924,876		
	December 3, 1969	1/3d gross	6.25p	8,189,245		
	June 11, 1970	2-d gross	10.00p	13,443,449		
1970 Interim Final	December 10, 1970	1/3d gross	6.25p	8,402,155		
	June 17, 1971	10p gross	10.00p	13,443,449		
	December 16, 1971	6.25p gross	6.25p	8,402,376		
1971 Interim Final	June 15, 1972	10.25p gross	10.25p	13,779,598		
	January 11, 1973	6.25p gross	6.25p	8,966,808		
	April 5, 1973	4.35p gross	4.35p	6,256,635		
1972 Interim 2nd Interim Final	July 4, 1973 *	4.48p net	6.40p	6,443,451		
	January 10, 1974 *	4.62p net	6.60p	6,647,649		
	July 3, 1974 *	7.504p net	11.20p	(tax credit) 10,797,240		
1973 Interim Final	January 11, 1973	6.25p gross	6.25p	17.80		
	April 5, 1973	4.35p gross	4.35p	17.00		
	July 4, 1973 *	4.48p net	6.40p	(tax credit) 2,761,473		
1974 Interim Final	January 10, 1974 *	4.62p net	6.60p	24,428,367		
	July 3, 1974 *	7.504p net	11.20p	17,444,889		
				(8,167,108)		

PREFERENCE STOCKS

* Subsequent to April 5, 1973, dividends are payable under the imputation tax system. For the purpose of comparability, tax credits in respect of dividends paid since that date are shown above.

Dividends on all Preference Stocks are paid half-yearly on April 30 and October 31.

RECORD OF PROPERTIES

The Company is a holding company and actually owns no real property.

SUBSIDIARY COMPANIES

See List of Subsidiary Companies in Appendix on page 13.

FUNDED DEBT

	<u>Group</u>	1973 Thousands of Pounds Company
<i>Not wholly repayable within five years</i>		
Secured		
a) 4½ per cent debenture stock 1968-1981	459	459
Unsecured		
b) 6½ per cent loan stock 1978-1981	456	456
c) 8½ per cent Deutschemark bonds 1970-1985	7,962	7,962
d) 7½ per cent Loan stock 1981-1986	15,354	15,354
e) 7 per cent Luxembourg Franc bonds due 1987	5,214	5,214
f) 8½ per cent loan stock 1991/96	54,258	54,258
g) 7 per cent Belgian Franc bonds due 1992	5,318	—
<i>Repayable within five years</i>		
Secured		
h) 6¼ per cent debenture stock 1978	2,625	2,625
Unsecured		
i) 5½ per cent U.S. Dollar bonds due 1988	28,763	28,763
j) 5 per cent Canadian Dollar debentures due 1993	8,658	8,658
	<u>129,067</u>	<u>115,091</u>

a) To be redeemed prior to September 1, 1981, either at not more than £102 per cent by drawings or by the surrender of stock purchased by the Company in the market at or under par at any time to the extent that the Company shall apply to redemption not less than £25,000 in each year. Any stock not previously redeemed to be repaid at par on September 1, 1981.

b) To be redeemed during the three years ending August 15, 1981, by drawings or on that date at par. The Company may at any time purchase stock in the market at any price (by private treaty at not more than £105 per cent), such stock to be thereupon cancelled.

c) The bonds which mature on November 1, 1985, are coupon bearer bonds of DM 1,000 each redeemable at par in ten annual installments varying between DM 2,500,000 and DM 7,500,000, commencing November 1, 1976, or at the option of the Company from that date at redemption prices equal to the principal amount of the bonds plus premiums varying up to 4 per cent.

d) To be redeemed during the five years ending June 29, 1986, at £102 per cent pro rata to holdings or by drawings or on June 30, 1986, at par. The Company may purchase stock at any time, such stock to be thereupon cancelled.

e) The bonds, which are coupon bearer bonds of Luxembourg Francs 50,000 each are redeemable at par in ten equal annual installments commencing June 30, 1978, or at the option of the Company from that date at redemption prices equal to the principal amount of the bonds plus premiums varying up to 2.25 per cent.

f) To be redeemed during the five years ending August 31, 1996, pro rata to holdings or by drawings or on that date at par. The Company may at any time purchase stock in the market at any price (by private treaty at no more than £110 per cent), such stock to be thereupon cancelled. Stock registered in the names of persons who are also registered holders of warrants is convertible into ordinary stock of the Company, as set out in Item 11 (b) (i) on page 9.

g) The bonds which were issued as registered bonds of Belgium Francs 5,000 each but which may be changed into bearer certificates at the request of the bondholder, are redeemable at par in fifteen equal annual installments commencing June 15, 1978, or at the option of the Company from that date at redemption prices equal to the principal amount of the bonds plus premiums varying up to 3 per cent.

h) To be redeemed by equal annual installments of £525,000 during the five years ending June 30, 1978, either at par by means of drawings or by the surrender of stock purchased by the Company in the market at or under par at any time or by a combination of both methods.

i) The bonds which are coupon bearer bonds of \$1,000 each may until maturity or prior redemption be repaid in the sum of £416.67 in sterling (at which rate they are stated in the Company's accounts) at the option of the bearer, and in that event the proceeds of repayment will be applied in purchasing from the Company registered ordinary shares of The "Shell" Transport and Trading Co. Ltd. (such shares being owned by The Burmah Oil Co. Ltd.) at the initial "conversion" rate of 96 ordinary shares per \$1,000 principal amount of bonds subject to adjustment under certain conditions. The bonds which mature on October 1, 1988, are redeemable at the option of the Company beginning on October 1, 1978, except that prior to that date the Company may redeem all the bonds then outstanding if 75 per cent of the bonds have been "converted", or if any United Kingdom taxes on payments on the bonds are required to be withheld or paid by the Company all at redemption prices equal to the principal amount of the bonds plus in certain circumstances premiums varying up to 3 per cent. In connection with the issue of these bonds, the Company transferred to the Bank of Scotland, as depositary, 6,720,000 registered ordinary shares of 25p each of The "Shell" Transport and Trading Co. Ltd. into which the entire principal amount of the bonds might be convertible at the initial conversion rate. After meeting requests for conversions to date, the depositary holds 6,626,976 such ordinary shares. Until conversions are made, such shares remain the property of the Company and do not constitute security for the bonds.

j) The debentures which were issued in denominations of One Thousand Canadian Dollars each by Great Plains Development Co. of Canada Ltd. (Great Plains) are redeemable through the operation of a sinking fund between February 1, 1984, and 1993. Great Plains may redeem the debentures in whole or in part after February 1, 1978, at redemption prices equal to the principal amount of the debentures plus premiums varying up to 5 per cent and may do so earlier subject to the fulfillment of certain conditions relating to the market price of its quoted shares. Great Plains may at any time purchase the debentures in the market at prices not exceeding the aforementioned redemption prices. The debentures are also convertible into shares of Great Plains at a conversion rate equivalent to 44 Canadian Dollars per share.

Additional Funded Debt

On January 28, 1974, Burmah Oil Incorporated a wholly-owned United States subsidiary of the Company, acquired all the issued capital stock of Signal, Oil & Gas Company, a wholly-owned United States subsidiary of the Signal Companies, Inc., for U.S. \$420 million (£183 million) in cash.

To effect this acquisition, the Company entered into arrangements with Orion Bank Limited and The Chase Manhattan Bank N.A. for the provision of credit facilities of \$420 million. Of this amount, \$270 million (£118 million) has been borrowed in U.S. domestic dollars by Burmah Oil Incorporated under a guarantee from the Company. The remaining \$150 million (£65 million) has been borrowed in Eurodollars by the Company. The rates of interest will be determined by formulae based on market rates. On March 1, 1974, the actual rate applicable to the domestic borrowing was 10.6 per cent and to the Eurodollar borrowing was 9.0 per cent. However, the interest on \$200 million (£87 million) of the domestic borrowing will be limited to between 8½ per cent and 8¾ per cent for the first two years. The total amount is repayable within ten years in installments beginning after 2½ years in respect of the domestic borrowing, and after five years in respect of the Eurodollar borrowing. Save in respect of the said \$200 million for the first two years, repayments may be made without penalty.

11.

OPTIONS, UNDERWRITINGS, ETC.

(a) Share Options

At the Annual General Meeting of the Company on June 8, 1973, the members of the Company approved Share Option Schemes for United Kingdom and Overseas employees. The total number of ordinary shares in respect of which options may be granted under both Schemes is limited to 1,500,000 shares in all. While any Option granted under the Schemes remains unexercised and has not lapsed, the Company shall keep available sufficient unissued Shares to satisfy all such outstanding Options. No options have yet been granted.

(b) Ordinary Stock Warrants 1972-1975

3,927,956 unissued ordinary shares of £1 are reserved to satisfy in full the rights of holders of Ordinary Stock Warrants 1972-1975. A registered holder of Warrants has the right to acquire Ordinary Stock on June 30, 1975, by conversion of 8½ per cent Unsecured Loan Stock 1991/96 and/or subscription as follows:

(i) If the warrant holder is also the registered holder of Loan Stock he may convert Loan Stock into Ordinary Stock to an amount not exceeding that specified in the warrant at the rate of \$4 nominal of Loan Stock for each £1 nominal of Ordinary Stock, and/or

(ii) by subscribing in cash the whole or part of the amount of Ordinary Stock specified in the warrant at the price of £4 per nominal £1 of Ordinary Stock payable in full on subscription.

If at any time while any of the Warrants are outstanding the Company makes an issue by way of Capitalization of reserves, then such issue should only be in the form of equity share capital and the amount of Ordinary Stock to which each Warrant relates shall be increased proportionately.

(c) There are no underwriting agreements outstanding.

(d) There are no issued Stock Units of the Company held for the benefit of the Company.

12.

STOCK EXCHANGE LISTINGS

A. *The Burmah Oil Company Limited*

The issued Ordinary and Preference Stocks and Ordinary Stock Warrants 1972-1975 of the Company and the following Debenture and Loan Stocks

6½ per cent Debenture Stock 1978
4½ per cent Debenture Stock 1968/81

6½ per cent Unsecured Loan Stock 1978/81
7½ per cent Unsecured Loan Stock 1981/86
8½ per cent Unsecured Loan Stock 1991/96

are listed on The Stock Exchange, London, England.

American Depository Receipts in respect to the Company's Ordinary Stock are issued by Morgan Guaranty Trust Company of New York, First National City Bank, Irving Trust Company.

5½ per cent U.S. Dollar Bonds 1988
Coupon Bearer Bonds listed on London, New York, Amsterdam Stock Exchanges.

8½ per cent Deutschemark Bonds 1970-1985
Coupon Bearer Bonds listed on London, Frankfurt, Dusseldorf, Hamburg, and Munich Stock Exchanges.

7 per cent Luxembourg Franc Bonds 1987
Coupon Bearer Bonds listed on London Stock Exchange.

B. Subsidiaries

Anglo Ecuadorian Oilfields Limited (51.2 per cent owned by Burmah).
The Ordinary Shares of 50p are listed on The Stock Exchange, London, England.

American Depository Receipts for Ordinary shares are issued by Morgan Guaranty Trust Company of New York.

Woodside-Burmah Oil N.L. (54.5 per cent owned by Burmah) (Incorporated in Victoria, Australia).

The Fully Paid Ordinary Shares (50 cents paid) and Contributing Ordinary Shares (20 cents paid) are listed on the Australian Associated Stock Exchange — Melbourne, Sydney, Brisbane, Adelaide, Perth and Hobart.

American Depository Receipts for Fully Paid Ordinary Shares are issued by Morgan Guaranty Trust Company of New York.

Great Plains Development Company of Canada, Ltd. (99 per cent owned by Burmah) Ordinary Shares of \$1 are listed on Toronto and Montreal Stock Exchanges.

13.

STATUS UNDER SECURITIES ACTS

In the United Kingdom the Company is subject to the filing and registration requirements of the Registrar of Companies as provided by the Companies Acts of 1948 and 1967.

14.

FISCAL YEAR

The Fiscal Year of the Company ends on December 31 in each year.

15.

ANNUAL MEETINGS

The Articles of Association provide that an Annual General Meeting shall be held in each year within 15 months of the last preceding Annual General Meeting at such time and place as the Board of Directors may determine.

The last Annual General Meeting of the Company was held in Glasgow, Scotland, on June 7, 1974.

16.

HEAD AND OTHER OFFICES

The principal offices of the Company are:

Head Office: Burmah House, Pipers Way, Swindon, SN3 1RE, Wiltshire, England.

Registered Office: 48 St. Vincent Street, Glasgow, G2 5TW, Scotland.

London Office: North West House, Marylebone Road, London NW1 5AA, England.

17.

TRANSFER AGENT

The Company maintains its own transfer registration department at its registered office at 48 St. Vincent Street, Glasgow G2 5TW, Scotland. The Company has appointed The Royal Trust Company at its principal offices in the cities of Montréal, Toronto, Winnipeg, Calgary, and Vancouver as the Transfer Agent in Canada for the Ordinary Stock of the Company.

18.

TRANSFER FEE

No transfer fee is charged on stock transfers other than any applicable stock transfer taxes.

19.

REGISTRAR

The Registrar of the Company is Mr. J.S. Kerr, The Burmah Oil Company Limited, 48 St. Vincent Street, Glasgow, G2 5TW, Scotland. The Company has appointed The Royal Trust Company at its principal offices in the cities of Montréal, Toronto, Winnipeg, Calgary, and Vancouver as the Canadian registrar for the Ordinary Stock of the Company.

20.

AUDITORS

The Auditors of the Company are Messrs. Whinney Murray & Co., Chartered Accountants, 175 West George Street, Glasgow, G2 2BD, Scotland.

21.

DIRECTORS

The Directors of the Company are:

Name

Address

J.A. Lumsden, M.B.E.
Chairman of the Company

Bannachra, by Helensburgh
Dunbartonshire



The Burmah Oil Company Ltd

Interim report half year to 30th June 1974

Registered office
48 St Vincent Street, Glasgow G2 5TW
Tel. 041-221 3793

Headquarters
Burmah House, Pipers Way, Swindon SN3 1RE
Tel. Swindon (0793) 30151

London office
North West House, Marylebone Road, London NW1 5AA
Tel. 01-402 5671

Summary of results

The Burmah group

Half year to 30th June 1974

	£ thousands half year to 30th June 1974	£ thousands half year to 30th June 1973	£ thousands year to 31st December 1973
Turnover net of duties	408,923	209,852	495,866
Profit on trading	52,370	21,808	64,670
Depreciation, depletion and amortisation	17,324	6,993	15,949
Net operating profit	35,046	14,815	48,721
Share of profits of associates	1,825	2,947	9,254
Dividends from UK companies	7,660	7,183	14,050
Other trade investment income	819	519	1,097
	45,350	25,464	73,122
Interest	17,276	8,088	16,159
Profit before taxation	28,074	17,376	56,963
Taxation	7,328	4,008	10,405
Profit after taxation	20,746	13,368	46,558
Minority interests and pre-acquisition profit	2,540	567	1,368
Earnings attributable to the group	18,206	12,801	45,190
Extraordinary items – net (charges)/credits	(3,958)	6,973	14,900

The Burmah Oil Company Limited



Report and accounts for the year ended 31st December 1973

Financial calendar

Annual results	Preliminary statement issued 18th April 1974
Annual report	Posted 14th May 1974
Annual general meeting	To be held 7th June 1974
Final dividend for 1973	Payable 3rd July 1974
Half year 1974 results	Expected to be issued 19th September 1974

Dividend and interest payment dates

Ordinary stock: interim	Early January
final	Early July
Preference stocks	30th April and 31st October
6½% debenture stock	30th June and 31st December
4½% debenture stock	1st March and 1st September
6½% loan stock	15th February and 15th August
8½% Deutsche mark bonds	1st May and 1st November
7½% loan stock	30th June and 31st December
7% Luxembourg franc bonds	30th June
8½% loan stock	28th February and 31st August
5½% US dollar bonds	1st April and 1st October

Capital gains tax

The market prices of the undermentioned stocks on 6th April 1965 were:

* Ordinary stock	243½p
† 4·2% first preference stock	82½p
† 4·2% second preference stock	82½p
† 5·6% preference stock	112½p

* After deducting capital dividends totalling 2½p paid after 6th April 1965

† See note 20 on page 39

Close company provisions

The company is not a close company within the meaning of the Income and Corporation Taxes Act 1970 (as amended).

The Burmah Oil Company Limited

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This annual report was released to the printer on 18th April 1974

Notice of meeting

The Burmah Oil Company Limited

Notice is hereby given that the seventy-second annual general meeting of the members of the company will be held at the Merchants' Hall, 30 George Square, Glasgow, on Friday 7th June 1974 at 11.30 am for the transaction of the following business:

Resolution No. 1

To receive and adopt the accounts for the year ended 31st December 1973 together with the reports of the directors and of the auditors thereon.

Resolution No. 2

To declare a dividend.

To re-elect the following directors:

Resolution No. 3

Dr J E Sisson.

Resolution No. 4

Mr J A Lumsden.

Resolution No. 5

Mr L M Harper Gow.

Resolution No. 6

To fix the remuneration of the auditors.

By order of the board

J A Leiper Secretary

48 St Vincent Street, Glasgow G2 5TW

14th May 1974

Notes

1. Only the holders of 4·2% cumulative first preference stock, 4·2% cumulative second preference stock and ordinary stock are entitled to attend and vote at the meeting. This notice is sent for information only to the holders of 5·6% cumulative preference stock, 5·075% cumulative redeemable preference stock, ordinary stock warrants, debenture stocks and unsecured loan stocks (see note 20 on page 39).

2. A member entitled to be present and vote at the meeting may appoint a proxy, or proxies, to attend and vote instead of him and such proxy need not be a member of the company. A form of proxy is enclosed.

3. A statement in respect of all contracts of service whereunder directors of the company are employed by the company or any subsidiaries will be available for inspection at the registered office of the company, 48 St Vincent Street, Glasgow G2 5TW, during usual business hours on any weekday (Saturdays excepted) from the date of this notice until the date of the annual general meeting. This statement will also be available for inspection at the place of the annual general meeting for at least 15 minutes prior to and during the meeting.

The Burmah Oil Company Limited

Directors

J A Lumsden, MBE
Chairman
The Earl of Inchcape
Vice Chairman
J E Sisson
Vice Chairman
* N J D Williams
*Managing Director and
Chief Executive*
* P G Simonis
Assistant Managing Director
* J D Dewhurst
Assistant Managing Director
R E Fleming, MC
* W R Gage
L M Harper Gow, MBE
* W P G MacLachlan, MBE
* E E K Schliemann
appointed 8th June 1973
H R Tainsh
J F Strain
retired 8th June 1973
Quinton Hazell, MBE
resigned 28th June 1973
A T Cockle, MC
retired 31st January 1974
* Executive directors

Secretary

J A Leiper, FCIS

Registered office
48 St Vincent Street
Glasgow G2 5TW
Tel : 041-221 3793

Headquarters

Burmah House
Pipers Way
Swindon SN3 1RE
Tel : Swindon (0793) 30151

London office
North West House
Marylebone Road
London NW1 5AA
Tel : 01-402 5671

Bankers
Bank of Scotland

Solicitors
Miller, Thompson,
Henderson & Co
Allen & Overy

Auditors
Whinney Murray & Co

Group profile

The business of Burmah was founded in 1886 and the present company was incorporated in Scotland in 1902. As at 31st December 1973 the Burmah group had properties and operating assets of £304 million and employed 38,700 people in the United Kingdom and overseas, mainly engaged in the various branches of the petroleum industry; searching for, producing and transporting crude oil and natural gas, manufacturing and marketing the products, and providing research facilities in laboratories and test centres. There are some 280 subsidiaries, a major one of which is Castrol Limited, renowned throughout the world for its high-quality motor oils and marine, aviation and industrial oil products.

Burmah's main oil and gas producing interests are in Canada, the United States, Australia, India, Pakistan and Ecuador. The group explores for new reserves in those countries, in the North Sea and elsewhere. Woodside-Burmah, in which Burmah holds a majority interest, has a major stake in substantial accumulations of gas and condensate on the Australian north-west shelf.

Burmah Oil Tankers Limited is concerned with crude oil and liquid natural gas transportation and is expanding its US activities by providing an oil transhipment service based in the Bahamas.

In Britain, in addition to the marketing of fuels, lubricants and other petroleum products, Burmah's expanding interest in the motorist's market is being actively developed through Halfords, retailers of automotive products for the do-it-yourself market through 375 shops. The Quinton Hazell group manufactures a wide range of motor vehicle components. It wholesales through Partco and retails through Standard Motorists Centres its own and other manufacturers' products.

Burmah Industrial Products co-ordinates the manufacture and supply of specialty products to the building, packaging, rubber and electrical industries by Atlas, Campbell Technical Waxes, Dussek, Expandite, Rawlplug and Solignum.

The group's specialised engineering services are co-ordinated by Burmah Engineering, comprising Flexibox, manufacturers of mechanical seals and flexible couplings, Petrocarbon Developments, contractors in the oil, petrochemical and pipeline industries, and Dynaflex, suppliers of garage equipment. J H Carruthers & Co Ltd, acquired in 1973, are internationally known for their electric travelling cranes, particularly the award winning Monobox.

Other interests include Edwin Cooper, which holds an important international position in the manufacture and marketing of chemical additives for the petroleum industry.

On the continent of Europe, Castrol is widely marketed and there are fuel marketing networks in Belgium, the Netherlands and Sweden. The Veedol European subsidiaries of the Getty Oil Corporation were acquired during 1973 further expanding the motor oil market. The link between the motorist's market and the leisure market is reflected in Tabbert, West Germany's leading manufacturer of high-quality caravans, and the newly formed Burmah Caravan Parks in Germany and the Netherlands.

Salient operational details

The following table shows the 1973 net oil and natural gas production, crude oil sales, refinery throughput and product sales of the group and its associates.

Crude oil production	2.1 million tons
Natural gas production	134.9 million mcf*
Crude oil sales to third parties	2.3 million tons
Refinery throughput	4.5 million tons
Sales of oil products	8.1 million tons

*thousands of cubic feet

Burmah has an interest in KMS Fusion Inc, an American company conducting long-term research into a new and advanced process for producing thermo-nuclear energy by controlled laser driven fusion.

Early in 1974 Burmah acquired the Signal Oil and Gas Company which produces oil and gas principally in the United States but also in Argentina and has extensive exploration interests in the United States, the North Sea (both British and Netherlands), Ghana and Peru. Signal also sells fuel oil and liquefied petroleum gas in the United States and has interests in gas processing plants and geothermal steam projects in that country.

The company's principal subsidiaries, associated companies and trade investments are listed on pages 44 to 46. The group currently holds 21.5 per cent of the equity of The British Petroleum Co Ltd.

The company has some 162,000 ordinary stockholders. The distribution and classification of the holdings of ordinary stock are given on page 51.



Burmah Pearl, 138,200 dwt

Chairman's statement to stockholders

The Burmah Oil Company Limited

1973 results

1973 has been a year of substantial progress for the company.

The interim report to stockholders stated that 1973 was expected to show a satisfactory improvement over 1972 and that the second half year would show a substantial increase over the second half of 1972, with much of the improvement being derived from the operations of Burmah Oil Tankers. This has been amply fulfilled.

The net operating profit at £48·7 million showed an increase of £22·5 million or 85 per cent. After taking into account the share of profits of associated companies, dividends from UK companies and other trade investments, and the increased interest charges, the profit before taxation increased by £21·9 million or 63 per cent and the net earnings per ordinary stock unit (before extraordinary items) increased from 15·23p to 30·74p.

Your directors recommend a final dividend of 7·504p which, after taking into account the related tax credit, makes a total effective gross distribution for 1973 of 17·80p per £1 stock unit compared with 17·00p for 1972. This is the maximum increase permitted under current legislation.

The contribution of Burmah Oil Tankers to net operating profit was approximately one-third. This profit was derived from normal chartering operations of the fleet now comprising some 30 vessels, and the company's management was able to take advantage of the steady demand for tankers during most of 1973 and of the high rates for spot charters.

Our operations in Europe have made a considerably increased contribution to profits, but those in the UK suffered from the price restrictions and the dislocation of crude oil supplies in the latter part of the year. Fuller details of the group's results and operations are given in the financial and operational reviews which, as last year, are included as part of the directors' report.

Signal Oil and Gas Company

Two major events were set in train during the past year which should bring considerable benefit to the company in future years.

The first resulted in the acquisition in January 1974 of Signal Oil and Gas Company in the USA. Full particulars of this purchase were given in my letter to stockholders dated 11th March 1974 in which reference was also made to certain pending litigation in the USA arising out of the purchase. Your Board has attached great importance to obtaining additional reserves of crude oil and gas in politically stable areas, and Signal has provided us with proven reserves in the USA sufficient to maintain production at economic levels for many years to come. In addition we have acquired a substantial interest in the Thistle field in the North Sea and in exploration acreage elsewhere. These assets should bring considerable benefit to our profits and cash flow in future years. I extend a warm welcome to all employees in the Signal Company.

Chairman's statement to stockholders

(continued)

North Sea

The other major event is that Burmah has now made a significant discovery in the North Sea.

Burmah Oil (North Sea), as operator for a consortium in which we have a 30 per cent interest, has been successful with its first well on block 3/3. This appears to indicate a substantial oil field within the block, extending into the adjoining block 3/8 in which BP have drilled a successful well on the same structure. Further drilling is being undertaken by Burmah Oil (North Sea) to establish the full potential of the field, but the prospects are encouraging. Production is unlikely to start before 1977 at the earliest.

In addition, as mentioned, we have through Signal acquired a 19 per cent interest in the Thistle field in block 211/18, where it is hoped that production will start in 1976 or 1977.

These two developments, the acquisition of Signal and the exploration successes in the North Sea, should provide the group with important oil production and income in the future.

Governments and oil

Recent developments in the world energy scene have led to an increasing interest by governments throughout the world in all aspects of the petroleum industry. There is a natural wish for each country to make sure that oil and gas discoveries within its jurisdiction should be developed to the maximum extent for the benefit of its own people, and that the public purse should in one way or another receive a fair share of the profits from such development. No one would dispute these objectives. What is of vital importance to the companies involved in exploring for and producing oil and gas is that there should be a reasonable certainty about the rules under which governments expect them to operate, and that these rules should not be liable to sudden change from time to time after the companies' expenditures have been committed. The costs of exploration and development in the newer offshore areas are gigantic as compared with the oil-producing areas of the Middle East, and companies will inevitably be deterred from continuing to incur these costs — and indeed may be unable to arrange the necessary finance for development — unless there is some permanency as to the rules to be applied by the relevant government and the prospect of reasonable reward for the very substantial risk capital and development expenditure involved.

Scotland and oil

As a Scottish company, we are naturally particularly pleased that the North Sea oil discoveries are largely situated off the coast of Scotland and that our company is playing a full part. I have no doubt that Scotland and its economy will derive great benefit from these discoveries and from the activities associated with their development.

Nevertheless it is of great importance that all aspects of planning associated with the development of the oil discoveries should be carefully but expeditiously co-ordinated so as to ensure, as far as practicable, that conditions of temporary boom do not play unendurable havoc with the continuing life of local communities and that areas of great natural beauty are not permanently and unnecessarily spoiled.

Castrol

For seventy-five years Castrol has been a leading name in the field of lubrication. Whenever a new land, sea or air record was established, the probability was that Castrol had participated in the achievement.

On 1st August 1974, these seventy-five successful years will be marked by a special exhibition at Olympia, in London, featuring the fascinating history of transportation through three generations. Stockholders are cordially invited to visit Olympia between 1st and 11th August.

Future prospects

In previous annual reports and in the special report to stockholders last year I outlined the long term objectives for our company and the developments which we were planning to take advantage of the changing world energy pattern. We are now seeing some of the fruits of the implementation of the company's policies and I look forward with confidence to further progress in the years ahead.

In general the companies which we have acquired over the past ten years, and in particular Castrol, have shown good progress and are well placed for further expansion.

Although spot freight rates have been depressed during the first two months of 1974, present indications are that the level of profits achieved by Burmah Oil Tankers in 1973 should be maintained in the current year. Looking to the future, the policy of management is to secure an increasing proportion of long term affreightment contracts, particularly with regard to the Bahamas trans-shipment facility and to the carriage of LNG.

In the exploration and production sphere, I have already referred to our hopes for the future from North Sea oil and Signal Oil and Gas. Our other North American interests are progressing satisfactorily but in Australia, where again the rules affecting exploration and development are in the process of change, there may be some delay in bringing the discoveries on the north-west shelf into production pending clarification of the intentions of government.

Overall, therefore, future prospects are encouraging but the political and economic uncertainties which surround the oil industry today make it unwise to attempt at this stage to give any firm forecast of the outcome for 1974.

Queen's Award

It is particularly pleasing that, for the second year in succession, Her Majesty the Queen has honoured Petrocarbon Developments Limited with the Queen's Award to Industry for export achievement.

Board changes

Mr Quinton Hazell resigned from the board in June 1973 in order to devote his full time to his other interests. We were sorry to lose his services.

On reaching retirement age in January 1974, Mr A T Cockle retired from the board. Mr Cockle joined the company in Burma in 1939 and throughout

Chairman's statement to stockholders

(continued)

his time with the group, for the greater part spent in Burma and Pakistan, he has given most loyal and valued service. After returning to this country he was appointed managing director of Burmah-Castrol and in 1970 he became a member of the board. Your directors greatly appreciated his advice, stemming from his involvement in many sides of the industry, and they wish him and his wife every happiness for the future.

The board of Burmah Oil Trading Limited has been further expanded during the year by the appointment of Messrs E E K Schliemann (already a parent board director), J E Harvey, J D Alun-Jones, A Bentley, S E Churchfield, AJ Knights and M J Roberts.

Share option scheme

At the last annual general meeting, stockholders approved and adopted two share option schemes for senior employees. It is regretted that government policies have made it impossible meantime to proceed with these schemes.

Group personnel

The headquarters personnel of the Burmah group and of Burmah-Castrol moved to their new head office premises in Swindon during 1973, and merit a special word of thanks for the magnificent way in which they coped both with the additional work and with the domestic problems inevitably associated with such a major move.

Some 40,000 people are employed in the Burmah group's world-wide operations. In the visits I was able to make to units at home and overseas during the year, I was much encouraged by the group spirit now rapidly developing as the many new members of the Burmah group sense themselves to be part of a purposeful whole in which manifold skills are deployed.

In the forefront of the company's objectives is that of ensuring that its personnel should have rewarding careers within the group, geared to their efforts and talents, and that those with the ability and drive to reach the highest levels within the company should have every opportunity to do so.

New problems and challenges will doubtless arise from the pattern of abrupt change now facing the oil industry. The company is however in good heart and I am sure that the manner in which personnel everywhere have met the difficulties of 1973 will stand us in good stead in the years ahead.

J A Lumsden

The rig *Ocean Kokuei* drilling in the North Sea



Report of the directors: financial review

The Burmah Oil Company Limited

Main movements in the results

Earnings attributable to the group for 1973 at £45·2 million were some £22·8 million more than 1972. The principal changes were as follows:

Net operating profit increased from £26·3 million to £48·7 million.

Trading operations, after taxation and minorities but before interest, provided additional profits of £25·5 million.

The after tax share of profits of associates together with dividends from UK companies including BP was up by £3·7 million.

The interest burden increased by £6·4 million.

Retentions increased from £7·5 million to £41·7 million of which extraordinary items accounted for £14·9 million.

Earnings and dividends

Earnings in 1973 attributable to ordinary stockholders, before extraordinary items, were £44·22 million and the earnings per ordinary stock unit were 30·74p.

By virtue of the 1972 Finance Act, where the recipient of a cash dividend is either a company or a person resident in the United Kingdom, the recipient is entitled to a tax credit equivalent to the appropriate advance corporation tax. The interim dividend for 1973 paid in January this year amounted to 4·62p and the directors now recommend payment of a final ordinary dividend of 7·504p per stock unit payable on 3rd July 1974. The total distribution in respect of 1973 is therefore 12·124p and is covered 2·54 times (*1972 restated 10·9725p and 1·39 times*). These dividends have related tax credits of 1·98p (3/7ths) for the interim and 3·696p (33/67ths) for the final; they are thus equivalent to a gross 17·80p per stock unit (*1972 17·00p*). After crediting extraordinary items amounting to £14·90 million there remains £41·67 million to be added to reserves.

Earnings in 1973 excluding dividends from BP were 22·70p per stock unit (*1972 restated 8·67p*). That part of the dividend paid out of these earnings (assuming that the BP dividends were passed intact to the stockholders) is 4·09p per stock unit and is covered 5·55 times (*1972 restated 4·41p and 1·96 times*). Attention is drawn however to the possible taxation liabilities explained in note 11(b) on page 37.

As regards preference stocks, the tax credit which was initially 3/7ths will be 33/67ths for payments made after 5th April 1974. Reference is made to the restated denominations of each preference stock in note 20 on page 39.

Currency revaluations

Exchange rate fluctuations arising from the continued floating of the pound sterling had little effect on the profit figures for 1973, gains due to the translation into sterling of overseas profits having been partly offset by increases due to the translation of interest payable on foreign currency loans.

The overall effect of currency changes on the sterling value of overseas assets in 1973 was an increase of £8·75 million which is included in extraordinary items. A large part of this increase arose in Australia, whose currency increased in value by some 15 per cent against sterling.

Turnover and profits

The table below gives an analysis, for the various oil and non-oil operations, of net turnover and profit before interest and taxation.

	turnover (net of duties)		profits	
	£ millions	1973	£ millions	1973
	1972		1972	
UK and Irish trading units				
Burmah-Castrol Co	70·4	59·0	0·7	2·4
Halfords	30·7	26·5	2·9	2·9
Quinton Hazell (1972 9 months)	42·9	27·3	2·7	2·6
International trading units (based in UK)				
Burmah Industrial Products	37·1	29·5	3·5	2·6
Burmah Engineering	10·5	9·0	1·1	1·0
Edwin Cooper	15·5	12·1	0·9	0·9
Overseas companies				
Europe	110·5	67·6	11·0	6·6
Australasia	17·5	13·2	1·6	0·9
Africa and Far East	12·1	8·3	1·7	0·8
North America	72·0	30·5	21·5	4·0
South America	22·7	16·7	2·7	1·9
India and Pakistan subsidiaries	54·0	48·8	3·4	3·1
Total turnover	495·9	348·5		
Unallocated central expenses			(4·2)	(2·7)
			49·5	27·0
Associates and trade investments			9·6	6·1
Dividends from UK companies			14·0	11·7
Profit before interest and taxation			73·1	44·8

The unallocated central expenses relate to the group's administrative planning and control, to certain costs of research and development in new areas which are not charged against the profits of present operating units and to provisions for increased pensions.

Comments on details of the performance of individual units of the group are given in the operational review but some general comparisons are of interest.

There was an increase in net turnover in the UK and Ireland, including the relevant part of the international trading units, to £175 million (1972 £142 million) but because of the rising costs of materials and wages, shortages of materials in the latter part of the year, price restrictions and operating problems, the net operating profit in respect of UK operations fell to £9·2 million (1972 £10·6 million).

Operations in continental Europe have again shown considerable advances in both net turnover and profit to £122 million and £12·0 million (1972 £76 million and £7·4 million).

Report of the directors: financial review

(continued)

Most other overseas operations have shown advances in 1973 of which the greatest has been in North America, where the tanker operations have given particularly satisfactory results.

Profits of £49·5 million represented a return of 10·0 per cent on turnover (1972 7·7 percent).

Depreciation

The increase in depreciation and depletion was mainly attributable to the Ellesmere Port refinery and to operations in the Gulf of Mexico.

Dividends from UK companies

Following the introduction of the new imputation tax system, dividends from UK companies are now shown separately in the consolidated profit and loss account and neither these dividends nor dividends payable include the related tax credits or, as appropriate, the income tax deducted at source. Attention is drawn to note 8 on page 37 from which it will be seen that dividends from BP have increased from £10·14 million to £12·53 million reflecting the higher final dividend for 1972 received in 1973 (restoring the equivalent gross total for 1972 to the same as for 1971) and the increased interim dividend for 1973. The reduction in the Shell dividends reflects the reduced number of shares held, following the sale of five million ordinary shares in March 1973.

Interest

The interest burden rose by £6·39 million reflecting increased borrowings and the higher level of interest rates ruling throughout the world, especially in the United Kingdom.

Taxation

The details of the taxation charge amounting to £10·40 million (1972 restated £11·16 million) together with supplementary information are set out in note 11 on the accounts on page 37.

Extraordinary items

The net amount of £14·90 million is made up of a number of items which are listed in note 14 on page 38. The profit on realisation of assets includes as the largest item the sale of Shell shares. Further provisions have been made for estimated pension liabilities in the UK and in Ecuador. The adjustments for deferred taxation and exploration costs arise mainly as a result of the treatment of these items in two subsidiaries having been brought, from the beginning of 1973, wholly into line with that adopted by the group.

Changes in share and loan capital

In June 1973 certain holders of ordinary stock warrants 1972/75 exercised their rights to acquire £59,000 of ordinary stock by subscribing cash of £108,000 and by surrendering £128,000 nominal value of the company's 8½% loan stock 1991/96.

To complete the acquisition of Quinton Hazell (Holdings) Ltd, the company issued during 1973 £780,000 ordinary stock, 182,000 ordinary stock warrants 1972/75 and £417,000 8½% loan stock 1991/96.

In connection with the company's offer to acquire the minority interests in the issued share capital of Alexander Cheyne Ltd, the company issued during 1973 £362,000 ordinary stock.

The ordinary stock in issue at the end of 1973 was therefore £143,886,000.

During the year £539,000 6½% debenture stock 1978 and £165,000 4½% debenture stock 1968/81 were purchased or drawn for redemption.

Subsidiaries

In February 1973 Great Plains Development Company of Canada Ltd issued Can.\$30 million 5% convertible debentures due 1993 for financing capital expenditure for oil and gas exploration and development including the acquisition of additional properties. Burmah Oil Canada Ltd, a wholly-owned Burmah subsidiary, purchased Can. \$10 million of these debentures at par.

Woodside-Burmah Oil NL made a rights issue of 30,000,000 ordinary shares of 50 cents each at a premium of 50 cents per share on the basis of one new ordinary share for every four ordinary shares held. The issue was the third biggest equity capital raising ever to take place in Australia and the largest by an exploration company. Burmah Oil Australia Ltd paid up the first instalment of 50 cents a share of its entitlement in December 1973. The balance is not due to be called until September 1974.

Funds employed

Total funds employed increased from £841 million to £892 million and included expenditure on fixed assets of £94 million and additions to net current assets of £43 million. The increase in fixed assets included £56 million for oil and gas exploration and development mainly in North America and Australia, £13 million for tanker operations and £20 million for subsidiaries operating in the UK and continental Europe.

Funds not arising from the group's cash flow or from contributions from minority interests were provided largely by the proceeds from the sale of Shell shares and surplus assets and by loans including interest-free advances from gas utility companies in North America.

Omitting the value of the BP holding and the dividends therefrom, the group earned, before interest and tax, on the average funds employed including bank advances, 12·7 per cent in 1973 (*1972 restated 9·0 per cent*).

The rate of return on average stockholders funds of £645 million (*1972 £637 million*) related to earnings attributable to the group was 7·0 per cent (*1972 3·5 per cent*). This ratio was considerably affected by the element of earnings consisting of dividends from BP which, exclusive of related tax credits, yielded only 2·7 per cent (*1972 2·2 per cent*) on average applicable funds of £469 million (*1972 £460 million*).

Report of the directors: financial review

(continued)

Financial analysis

In the annual report for 1972 a financial analysis was given dividing the trading operations into groups covering respectively acquisitions, developments and historical or traditional overseas operations.

These three groups are made up as follows :

Acquisition group, comprising those companies acquired after 1st January 1966 and now included in the following operating units :

Burmah-Castrol UK excluding Ellesmere Port refinery and associated fuels marketing ; Burmah Castrol Europe ; other Castrol units ; Burmah Industrial Products ; Edwin Cooper ; Halfords ; Quinton Hazell (nine months of 1972 only) ; Veedol and Carruthers (1973 only).

Development group, comprising :

Ellesmere Port refinery and associated fuels marketing ; Burmah Oil Development (USA) ; Burmah Oil Tankers (Bermuda) ; Great Plains (Canada) ; Woodside-Burmah (Australian north-west shelf) ; exploration interests in South Australia and other areas.

Historical group, comprising subsidiary companies in India, Pakistan, Ecuador and all other pre-1966 subsidiaries not included in the development group.

The contributions to net operating profit for 1973 compared with 1972 are shown in the following table:

	1973 £ millions	1972 Restated £ millions	1972 Restated %
Acquisition group	34.3	44.4	47.6
Development group	14.5	18.8	4.4
Historical group	4.9	6.3	10.5
	53.7	69.5	62.5
Associates and trade investments	9.6	12.4	12.9
Dividends from UK companies	14.0	18.1	24.6
	77.3	100.0	100.0
Unallocated central expenses	(4.2)	(2.7)	
Profit before interest and tax	73.1	44.8	

Movements in market quotations since 31st December 1973

On 17th April 1974 (the last practicable date before the printing of this report) the middle market quotations relevant to the two largest investments of the group namely The British Petroleum Co Ltd and The 'Shell' Transport and Trading Co Ltd were, respectively, 522½p ex div. per ordinary stock unit and 225p ex div. per ordinary share compared with 534½p and 230p at 31st December 1973.



Report of the directors: operational review

The Burmah Oil Company Limited

United Kingdom

Burmah-Castrol UK

Profitability was affected by shortages of crude oil and the unprecedented rise in crude and product costs. These accelerated towards the end of the year and the Price Commission's approval for increased selling prices came too late to have any significant effect on 1973's net operating profit.

Sales of lubricants were considerably higher and Castrol GTX further consolidated its position as Britain's best selling motor oil. The re-development of the lubricants blending plant at Rotherhithe will enable Burmah-Castrol to give a greatly improved service to customers in London and the south east.

A programme for rationalising the network of retail petrol outlets was completed, but plans for expanding fuels sales were temporarily halted as the shortage of crude oil made the company over-dependent on spot purchases of fuels, which had become inordinately costly.

Problems caused by the fire at the Ellesmere Port Refinery in December 1972 were overcome. Continuing technical problems in certain units coupled with the shortage of crude have hindered progress towards the achievement of design rates of production.

The Tranmere project became operational during the year. This incorporates an ocean tankers terminal, crude oil storage tanks, and pipelines to the Ellesmere Port refinery.

North Sea

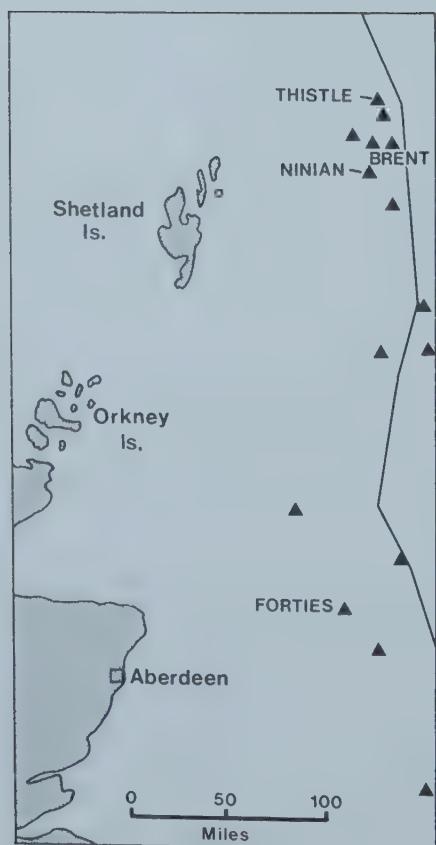
Burmah Oil (North Sea) now has an interest in six licence areas. Attention has focused on block 3/3, some 100 miles north east of the Shetlands, in which Burmah has a 30 per cent interest. The first well on this block was drilled by the new rig *Ocean Kokuei* which was specially designed for these waters. A winter of violent storms caused so much delay that the total cost of this first well exceeded £3 million.

This well and the well drilled by BP four miles to the south on block 3/8 are on the same large complex structural feature. Preliminary evidence suggests that this will prove to be a large oil accumulation of a similar order of magnitude to the Forties field. The major part of the new field which has been named Ninian is within block 3/3, but data from several wells will be required before definitive estimates of reserves and of production potential can be made.

A well on block 15/12 indicated that the main producing horizon of the Piper Field in Occidental's block 15/17 did not extend northwards into Burmah's block. However, some indications of oil were found, and this is encouraging, as the original application for this block was based on prospects further north, which have still to be tested.

On block 47/14a a second well was drilled in the Amethyst gas field, off the mouth of the Humber. The reserves of the field appear to be relatively small but could be commercial.

The acquisition of Signal early in 1974 has given Burmah a large stake in five additional blocks in UK waters and four blocks in Dutch waters. These include a direct 19 per cent interest in the Thistle Field in UK block 211/18. Four wells have been drilled in this field and the feasibility study for its development is well advanced. It is planned to start production in 1976 or 1977.





For 75 years Castrol has been at the heart of British motoring.

The Castrol story will be vividly depicted at the Castrol Great Motoring Extravaganza, National Hall, Olympia, London. 1-11 August 1974.



Report of the directors: operational review

(continued)

Burmah Industrial Products

Sales and profits increased substantially despite difficulties arising from raw material shortages towards the end of the year. This increase was achieved by Rawlplug, Expandite and Dussek in the UK, while the overseas activities of the international division were particularly successful. Order books of all the UK units remain buoyant.

Brooklyn Laboratories, the newly acquired South African adhesives company, performed well above expected levels and should be a useful contributor to future profitability.

Burmah Engineering

Flexibox achieved record sales during the year and orders continue at a high level. Although full production was maintained in the UK factories, shortages of raw materials could affect future production. During the year two new Flexibox companies were formed overseas; one wholly owned in Brazil and the other, a joint venture, in Mexico.



A disappointing year for Petrocarbon was caused by the deferment of a number of projects, with few new firm orders for process plant design. The position is expected to improve as the result of current negotiations. The Corfam synthetic leather plant erected in Poland was finished ahead of schedule.

Dynaflex results reflected a continuing low level of investment in the garage trade. Although there was an upturn in orders during the second half year, continuing increases in raw material costs and wages resulted in a net operating loss for the year.

J H Carruthers & Company Limited, the crane building company acquired during the year, achieved its forecast profit. The company currently has a record order book but production could be affected by a shortage of steel plate. The East Kilbride factory was extended and a further large extension is now in progress.

Edwin Cooper

Edwin Cooper had a difficult trading year. There was an appreciable growth in sales the benefit of which was largely offset by continuing cost increases, notably of raw materials and freight charges.

The increased manufacturing capacity of the St Louis plant was almost fully utilised, despite some raw material shortages.

In Japan, Nippon Cooper – jointly owned with major Japanese chemical interests – continued to develop with growth in sales and profits.

Halfords

Halfords achieved a record turnover exceeding £30 million for 1973. One of its branches topped £300,000. Profit however was only maintained at the 1972 level mainly because of increased wages and transport costs.



Several new branches were opened in the UK and a substantial area of selling space was leased at the new Auto-Leisureland in Sunderland, where Halfords have diversified further into supplying the motorist's leisure requirements. The company also made an experimental entry into continental Europe with the acquisition of five shops in the Amsterdam area.

Quinton Hazell

Turnover for 1973 increased but net operating profit fell markedly below the full year level for 1972 due to rising costs and re-equipment problems.

The company introduced new equipment and improved plant layout to rectify a shortage of manufacturing capacity for motor component parts. A completely new range of vehicle clutches was developed and the range of spare parts for foreign cars was increased.

Partco's distribution and wholesale divisions added eight branches to bring the national network to 108. Shortage of supplies caused some difficulties during the year.

Half a million vehicles passed through the 86 Standard Motorists Centres. Encouraging results were achieved in the sale and fitting of tyres and exhausts. Sales through Autobars introduced selectively on some sites have indicated an important future potential.

Kerry Ultrasonics, another Quinton Hazell subsidiary, plays a leading part in the expanding field of industrial cleaning employing high frequency sound technology. Other sophisticated ultrasonic equipment is produced for plastics assembly and metal welding systems.

Cliffe refinery project

Nearly two years after the public enquiry held by the Department of the Environment in April-May 1972, into the proposed construction of a refinery at Cliffe by Burmah-Total Refineries Trust, the company was advised on the 22nd March 1974 that the Secretary of State was satisfied that it was in the national interest for additional refinery capacity to be made available in South East England, and that he therefore had it in mind to grant outline permission for the project, subject to certain conditions.

The economic basis of the original proposal will have to be further considered in the light of the severe cost escalation that has taken place over these two years and also in respect of such conditions as may be attached to any formal permission that may eventually be granted.

Exports from the United Kingdom

The f.o.b. value of goods exported from the UK by the group during 1973 amounted to £36,967,000 (1972 £27,283,000).

Sales and profits of Castrol lubricants exceeded those for 1972 but profitability of fuels was adversely affected by the rapid rise in product costs, which were not recoverable during the year.

Report of the directors: operational review

(continued)

Burmah Castrol Europe

All lubricants and fuel marketing operations reported higher turnover and profits. However, supply difficulties and price restrictions caused some concern towards the end of the year. Castrol in particular had another record year, based largely on the special appeal of Castrol GTX.

Burmah Castrol and Aral came to an arrangement whereby Aral operates a pooled chain of selected service stations in Belgium and Castrol obtains sales outlets on Aral stations in the Netherlands, Belgium, Luxembourg, France and Switzerland.

Veedol's marketing subsidiaries in Europe were acquired from Getty Oil early in 1973. These subsidiaries, operating principally in West Germany, France and Italy, made significant contributions to profits.

Three new motor centres were opened in France and another in Sweden; a truck centre was opened in Belgium. Tabbert's results for 1973 were disappointing. This arose from a slackening of domestic demand due to credit restrictions and other anti-inflation measures, and from the effects on exports of Deutschmark revaluations. Appropriate measures have been taken and Tabbert's position is expected to improve during 1974.

In Germany the Burmah Caravan Park at Feilnbach was completed during the year and a second park, at Hermeskeil, was opened in the spring of 1974. In the Netherlands an established and well-known leisure complex was acquired at Eurostrand. Part of this will be developed as a top amenity caravan park.

Australia

On the north-west shelf, BOC of Australia, operator for the concession area in which its parent Woodside-Burmah has a 50 per cent interest, employed three offshore drilling rigs. This programme was supplemented by wells drilled through farm-out arrangements.

The activity in the area is by far the largest exploration effort being conducted in Australia and, although 243 rig-days were lost to cyclones and strikes at a cost of A\$5·3 million, the work accounted for more than 60 per cent of all offshore exploration footage. New discoveries were made on the Dockrell and Egret structures.

Proved, probable and possible reserves of about 18 trillion cubic feet of gas have so far been located, of which 13·5 trillion are in the proved and probable category. Plans are being considered, in consultation with partners and with Government, for the commercial exploitation of discoveries where the reserves are large and wells have good productivity.

Following the introduction of the Pipeline Authority Act 1973 the Government informed Woodside-Burmah of its intention to buy all production at the wellhead and to plan and control downstream activity itself. Consultations with Government are also proceeding on this subject.

In the Cooper Basin a group of companies headed by Santos, in which Burmah has a 34 per cent interest, has been planning the production and marketing of crude oil and liquids recovered from associated gas production.

Sales of gas to the South Australian market increased during 1973 to average 114 million cubic feet per day, and negotiations continue for increased supplies to Adelaide and for the future supply of gas to Sydney.

Castrol had another successful year in Australia, in terms of both volume and profit, and Castrol GTX fully maintained the strength of its position in the motorist's market.

Burmah Oil Australia formed a separate operating division to co-ordinate planned expansion in the automotive parts and accessories market. For this purpose it made an offer for the remaining shares of Quinton Hazell Automotive Pty Limited and acquired two locally established marketers, Adelaide Brake Services and Burwood Motors.

United States of America

Burmah Oil Development acquired a substantial interest in a further seven leases offshore Texas for a net payment of \$54 million. The company conducted an active drilling programme on 11 of the 16 blocks acquired in the Gulf of Mexico over the past two years and made seven discoveries. These are encouraging and should prove commercially worthwhile but more drilling data are awaited. During the year a gas utility company provided an interest-free loan of \$100 million against future production.

Burmah Oil Development's net operating profit was lower than in 1972 because the volume of production from older wells declined and the expensive new leases increased the charge for depletion.

Castrol Oils Inc had another successful year with increased sales and profit. The problems affecting the US petroleum industry, which have led to some shortages of base lubricants, could retard the planned rate of progress in 1974.

KMS Fusion

In September 1973 Burmah guaranteed borrowings of US \$10 million by KMS Fusion Inc, a wholly-owned subsidiary of KMS Industries Inc, a Michigan company, against an option to acquire 10 per cent of the common shares of KMS Fusion before 31st May 1975. The price will be between US \$10 million and US \$13 million, depending on the progress of the company's research programme. Burmah has additional options to acquire up to a total of 20 per cent of the shares by 31st May 1977.

KMS are conducting experiments into the possibility of producing thermo-nuclear energy by controlled laser driven fusion. The project is a long-term one but steady progress was made during the year.

Bahamas

The trans-shipment terminal on Grand Bahama Island is expected to be completed on schedule in the last quarter of 1974. Construction is being undertaken under Burmah's technical supervision.

It has proved possible to increase the draft to accommodate very large crude carriers of 445,000 tons.

Burmah Oil Tankers

Operating a fleet of some 30 vessels, the company was able to take advantage of the considerable demand for tankers during the major part of 1973 and the high rates for spot charters to ensure a very successful trading year.

Report of the directors: operational review

(continued)

Despite the more difficult conditions of the last quarter of the year, the fleet continues to operate profitably.

Time charters have been negotiated for four VLCCs of 445,000 tons for use in conjunction with the Bahamas trans-shipment facility.

Four LNG tankers of 125,000 cubic metres capacity each have been ordered for long-term charter by a Burmah Oil Tankers subsidiary. They will be used for the transport of LNG on behalf of Pertamina (the Indonesian State petroleum company) from Indonesia to Japan, starting in 1977. These tankers are in addition to the three ordered last year for the transportation of LNG from Algeria to the USA.

Canada

Great Plains Development Company of Canada enjoyed its best year of trading so far. The improvement resulted from increased oil and gas production combined with higher prices.

Great Plains not only holds considerable Canadian acreage, particularly in the Arctic, but has recently stepped up exploration outside Canada after raising Can. \$30 million through an issue of debentures. The company is a partner in a joint venture in Panama where drilling is now in progress.

Northern Oil Explorers Limited, a joint exploration venture formed in 1966 by Great Plains, Barber Oil and Noranda Mines, was dissolved in December 1973. The properties of the venture were put up for sale and those sold realised Can. \$11·3 million.

The group's Castrol subsidiary, Burmah-Castrol Canada (formerly Castrol Oils (Canada)), had a successful year increasing both sales and profits. During the latter part of 1973 this company acquired all of the interests of Getty Oil Canada, which markets automotive and industrial lubricants under the Veedol brand name. The acquisition considerably reinforces Burmah-Castrol Canada's position in the lubricants market.

India

Gross turnover of the Assam Oil Company was higher in 1973 than in 1972 but net turnover was lower because of increases in duties. Tax credits from earlier years helped improve profit after tax.

During the year Oil India proved additional reserves by extension drilling in the Nahorkatiya oilfield and a further discovery was made in the Kathaguri (Nagajan) area. The company maintained production rates and continued to supply crude to Assam Oil's Digboi refinery and to the Government refineries in Assam and Bihar. It also transported through its pipeline approximately 400,000 tons of Government crude for state-owned refineries. This pipeline is to be expanded to carry one million tons of such crude from 1976 onwards to the proposed Government complex at Bongaigaon in Assam.

The Burmah-Shell companies felt the effects of rapidly rising crude prices coupled with controlled product prices. For the first time, excess refinery capacity was used for processing crude for the Government during the second half of the year.

Pakistan

Severe floods affected Pakistan in August but in spite of considerable damage the country's economy showed signs of improvement during the year. The Government agreed to increases in gas transportation tariffs in August 1973, largely to mitigate the effects of the 1972 rupee devaluation on the transmission companies' substantial foreign debt servicing ; the companies results for 1974 will reflect these increases.

Sui Field gas sales by Pakistan Petroleum increased 18 per cent by volume during 1973, mostly because of increased demand in the northern areas. No gas price increases were permitted but agreement was reached on a change in the accounting treatment for amortisation of Pakistan Petroleum's exploration expenditure.

Government approval was received for a joint venture between Pakistan Petroleum Limited and the Provincial Government of Baluchistan, to exploit an established deposit of the mineral barytes. Extraction and crushing of barytes is planned to begin in 1974.

For the first time, Pakistan Refinery Ltd incurred an operating loss which was due solely to delays in allowing increases in ex refinery prices to reflect higher costs for crude. However, this company was able to maintain its dividend by drawing on reserves.

Bangladesh

Burmah's interests in Bangladesh include Eastern Refinery (30 per cent) with a refinery at Chittagong, Burmah Eastern (49 per cent), Eastern Lubricants Blenders (49 per cent), and the two operating gas fields of Sylhet and Chhatak.

Most operations continued to be unprofitable in 1973 but it is understood that the Government of Bangladesh will agree to the remittance of dividends to shareholders as and when these are declared in future years.

Ecuador

Anglo-Ecuadorian's results again reflected the problems caused by rising operating costs in a situation where selling prices are rigidly controlled. However, the company's cash position has improved as a result of the realisation of tax credit certificates on a regular basis.

An arrangement has been concluded whereby the Government will supply crude oil for Anglo-Ecuadorian's refinery.

The introduction of a new petroleum law necessitated the negotiation of new agreements covering the long established concessions in the Ancon area and also those in the Oriente region. Anglo-Ecuadorian's partners in the Oriente operations having withdrawn, an extension of current arrangements was negotiated with the Government for a further year. This has allowed limited drilling to continue in 1974 to evaluate the discovery of heavy oil in the Oglan area.

A subsidiary company engaged in the automotive market, and selling Castrol products, continued to operate successfully.

Report of the directors: operational review

(continued)

Peru

Following prolonged discussions with the Peruvian Government it was agreed that Compañía Petrolera Lobitos should sell its entire assets to Petroperu, the State oil company, for US \$6 million. These assets comprised a half share in the oilfield and a fuels marketing network. CPL has outstanding liabilities of an undetermined amount, expected to be less than \$6 million.

Castrol operations and sales were earlier centralised in a wholly-owned subsidiary company, PATSA, which also engaged a number of CPL's personnel, the main body of whom were however retained by Petroperu.

Brazil

Castrol do Brasil achieved record sales and increased its market penetration with automotive and industrial lubricants and as a result its profit improved substantially.

New plant and machinery were installed in the Rio blending plant, which is now operating at full capacity. An area of adjacent land has been acquired for a further works extension.

Plans have been completed for a major expansion of marketing activity in Southern Brazil.

South East Asia

The principal Castrol manufacturing operations in this region are in Singapore, Thailand (joint venture) and West Malaysia. There were increases in turnover and profit, although these were affected in December by a reduction in the supply of base oils.

On 31st December 1973 the operations of the West Malaysian branch of Castrol Limited were transferred to the recently-formed Castrol (Malaysia) Sendirian Berhad. This new company is a joint venture with the Negri Sembilan State Government, which will eventually hold 40 per cent of the equity, and this should ensure Castrol's continued strong position in this growing country, particularly as the new company plans to build a blending plant during 1974 and 1975.

Far East

The recently-formed Castrol branch in Japan increased its activity and turnover but, as expected, did not make a profit at this early stage.

In the relatively small Hong Kong market turnover and profit increased.

South Africa

Castrol South Africa reported a year of continued growth with improved turnover and profit. A re-refining plant was acquired in Pretoria which, among other things, will provide an additional source of base oil to safeguard supplies.

New Zealand

Castrol achieved substantial profit improvement through increased sales and significant economies in operating costs.

Exploration

The main areas of activity were in Australia, Canada, India, the USA and the North Sea and progress in these areas has been reported under their geographical headings. This apart, evaluation work was carried out in a number of other areas, mostly offshore.

Burmah has a 34·3 per cent interest in an exploration licence over an area of 7,700 square miles in north-west Somalia near a recent Ethiopian hydro-carbon discovery. Burmah as operator will start geological fieldwork soon to supplement data obtained from its previous operations.

Burmah holds a 20 per cent interest and is operator over an 8,000 square mile area in north-west Kenya. Preliminary surveys have been conducted and a geological survey will start soon.

Woodside-Burmah are participating in an exploration programme on and offshore Indonesian Timor. Several wells may be drilled after a seismic survey.

Offshore Morocco, Burmah is to explore some 3,750 square miles between Rabat and Tangiers. Development costs and hydrocarbons produced will be shared by Burmah and Le Bureau de Recherches et de Participations Minières. A seismic survey in 1973 will be followed by drilling in 1974.

Environment

Environmental considerations become ever more important. They obviously differ greatly according to geographical location and the nature of the activities of the individual units.

1973 saw the introduction of a system whereby individual units submit regular reports and recommendations on environmental matters. Increased resources are annually being devoted to the problems of environmental pollution not only in dealing with existing issues but also in providing greater safeguards for the future.

The group is playing a growing part in the work of a number of oil industry and other bodies in the countries in which it operates.

Swindon headquarters

The administrative headquarters of Burmah Oil Trading Limited and of Burmah-Castrol moved to their new purpose-built office on the outskirts of Swindon, Wiltshire, on schedule in July and August. A high proportion of the staff moved with the companies and the transfer took place with the minimum of disruption of operations.

Employees and their remuneration

The average number of persons (excluding directors of the company) employed full time and part time by the group within the United Kingdom in each week in the year 1973 was 19,329. The aggregate remuneration paid to such employees for the year was £29,890,000.

Political and charitable contributions

The money given for political and charitable purposes by the group during the year 1973 required to be disclosed by the Companies Act 1967 was, respectively, £6,100 and £50,000. Of the political contributions £5,000 was donated to British United Industrialists, £1,000 to the Economic League and £100 (by a subsidiary company) to a Conservative Party local branch.

Auditors

The auditors, Whinney Murray & Co have expressed their willingness to continue in office.



Burmah House, Swindon

Directors

The directors of the company during 1973 are listed on page 5. At the annual general meeting held on 8th June 1973 Mr E E K Schliemann was elected to the board and Mr J F Strain retired and did not seek re-election. Mr Quinton Hazell resigned from the board on 28th June 1973 and Mr A T Cockle retired on 31st January 1974.

The directors retiring by rotation at this time are Dr J E Sisson, Mr J A Lumsden MBE and Mr L M Harper Gow MBE who, being eligible, offer themselves for re-election.

Particulars of directors' interests are given on the opposite page, which forms part of this report.

There have been no disclosable contracts or arrangements subsisting during the financial year 1973.

By order of the board

J A Leiper *Secretary*

48 St Vincent Street, Glasgow G2 5TW

18th April 1974

Directors' interests

The Burmah Oil Company Limited

Directors' interests in the share and loan capital of the company and its subsidiaries at 31st December 1973 were as shown below. Holdings at date of joining the board, or at 31st December 1972 where these differ from those at 31st December 1973, are shown in brackets. Holdings as a trustee are marked with an asterisk. The interests of all the directors of the company and their family interests do not in the aggregate, in respect of either share capital or voting control, exceed 5 per cent of that of the company or of any one subsidiary. There have been no changes in the directors' interests between 31st December 1973 and 16th April 1974, except that Mr J D Dewhurst's interest as a trustee in £2,000 ordinary stock of the company is now a beneficial interest. Consequently his beneficial interest in ordinary stock of the company has been increased from £5,665 to £7,665.

The Burmah Oil Co Ltd

	Ordinary stock	5·075% preference stock	6½% debenture stock	8½% loan stock	Ordinary stock warrants
J A Lumsden	4,850 (4,350) *6,545	— — —	— — —	— *4,500	105 (140) *3,500 *(315)
The Earl of Inchcape	2,500	—	—	—	—
J E Sisson	2,000	—	—	—	—
N J D Williams	1,100	—	—	—	70
A T Cockle	1,000	200	—	1,000	70
J D Dewhurst	5,665 (1,065) *2,000 *(—)	— — —	— — —	— — —	—
R E Fleming	4,875 *50,575	— *10,000 *(20,000)	— — —	— — —	— — —
W R Gage	525	—	—	—	—
L M Harper Gow	1,000 *36,008	— —	— —	— —	— —
W P G MacLachlan	1,615 (1,180) *— *(435)	— — — —	1,100 (—) *— *(1,100)	1,000 — — —	70 — — —
E E K Schliemann	1,000 (1,000)	— —	— —	— —	— —
P G Simonis	2,000	—	—	—	—
H R Tainsh	1,250	—	—	2,000	140

Great Plains Development Co of Canada Ltd

120 shares capital stock of \$1

	Anglo-Ecuadorian Oilfields Ltd
N J D Williams	300 ordinary shares of 50p
J E Sisson	300 ordinary shares of 50p
A T Cockle	300 ordinary shares of 50p
W P G MacLachlan	300 ordinary shares of 50p
	Woodside-Burmah Oil NL
J A Lumsden	*3,000 shares of 50 cents each fully paid * * 750 shares of 50 cents each 20 cents paid *
P G Simonis	4,000 shares of 50 cents each fully paid (2,000 shares of 50 cents each fully paid) 1,000 shares of 50 cents each 20 cents paid (2,000 shares of 50 cents each 30 cents paid)

Report of the auditors

The Burmah Oil Company Limited

To the members of The Burmah Oil Company Limited

We have examined the accounts of The Burmah Oil Company Limited set out on pages 31 to 46. Incorporated in the consolidated accounts are accounts of subsidiaries and associates audited by other auditors and unaudited information in respect of certain associates.

In our opinion the company's balance sheet and the consolidated accounts comply with the provisions of the Companies Acts 1948 and 1967 and give for the company and for the group, so far as concerns members of the company, a true and fair view of the state of affairs at 31st December 1973 and of the profit for the year.

Whinney Murray & Co.
Chartered Accountants
Glasgow

18th April 1974

Consolidated profit and loss account for the year 1973

The Burmah group

		1973	1972
		*Restated	
notes •		£ thousands	£ thousands
4	Turnover net of duties	495,866	348,507
5	Profit on trading	64,670	37,987
	Depreciation, depletion and amortisation	15,949	11,722
	Net operating profit	48,721	26,265
6	Share of profits of associates	9,254	5,970
8	Dividends from UK companies	14,050	11,734
9	Other trade investment income	1,097	840
		73,122	44,809
10	Interest	16,159	9,771
	Profit before taxation	56,963	35,038
11	Taxation	10,405	11,158
	Profit after taxation	46,558	23,880
12	Minority interests and pre-acquisition profit	1,368	1,499
	Earnings attributable to the group	45,190	22,381
13	Preference stock dividends	971	878
	Earnings attributable to ordinary stockholders	44,219	21,503
13	Ordinary stock dividends	17,445	15,768
	Retained earnings	26,774	5,735
14	Extraordinary items	14,900	1,751
	Retentions	41,674	7,486
16	Earnings per ordinary stock unit (net basis)	30·74p	15·23p

*Following the introduction of the new imputation tax system, dividends from UK companies are now shown separately in the consolidated profit and loss account and neither these dividends nor dividends payable include the related tax credits or, as appropriate, the income tax deducted at source. For the purpose of comparability the corresponding figures for 1972 have been restated.

Other notes on the accounts are on pages 36 to 46

Consolidated balance sheet at 31st December 1973

The Burmah group

	Funds employed	1973	1972
	notes	£ thousands	£ thousands
Share capital and reserves			
17 Issued capital			
Preference		19,000	19,000
Ordinary		143,886	142,685
		<u>162,886</u>	<u>161,685</u>
Reserves			
19 Share premium		30,042	26,295
21 Capital surplus		36,603	21,660
22 Investment revaluation		372,456	453,352
23 General retentions		94,489	67,599
		<u>533,590</u>	<u>568,906</u>
Less			
Goodwill including that arising on consolidation		72,962	63,900
		<u>460,628</u>	<u>505,006</u>
		623,514	666,691
Minority interests			
		42,092	31,999
24 Loan capital		129,067	118,744
25 Deferred liabilities		97,504	23,804
J A Lumsden N J D Williams Directors			
		<u>892,177</u>	<u>841,238</u>

Employment of funds		1973	1972
notes		£ thousands	£ thousands
Fixed assets			
26 Properties and operating assets			
		303,662	218,191
Investments			
28 Associated companies		34,712	34,398
29 Trade		50,252	76,530
30 The British Petroleum Co Ltd		442,933	494,324
31 Long-term interests in tankers		9,114	8,438
32 Deposits with bank		3,157	3,803
		540,168	617,493
Net current assets			
Stores and materials		3,403	4,603
Crude oil, products and other stocks		87,336	68,413
33 Debtors and prepayments		128,289	100,996
34 Short-term investments		40,362	20,092
Bank balances and cash		12,336	7,690
		271,726	201,794
Less			
Creditors, accrued liabilities, and provisions		99,874	107,663
35 Bank and other advances		97,429	63,485
36 Taxation		8,399	9,092
37 Dividends		17,677	16,000
		223,379	196,240
		48,347	5,554
		892,177	841,238

Balance sheet at 31st December 1973

The Burmah Oil Company Limited

	Funds employed	1973	1972
notes		£ thousands	£ thousands
Share capital and reserves			
17	Issued capital		
	Preference	19,000	19,000
	Ordinary	143,886	142,685
		162,886	161,685
	Reserves		
19	Share premium	30,042	26,295
21	Capital surplus	21,709	11,306
22	Investment revaluation	372,604	453,260
23	General retentions	48,319	46,597
		472,674	537,458
		635,560	699,143
24	Loan capital	115,091	113,811
J A Lumsden N J D Williams			
	Directors	750,651	812,954

Employment of funds		1973	1972
notes		£ thousands	£ thousands
Investments			
27	Subsidiary companies	290,324	273,330
28	Associated companies	24,699	25,723
29	Trade	29,627	60,284
30	The British Petroleum Co Ltd	68,783	76,774
30	Burmah Investments Ltd (A subsidiary company holding BP stock)	374,150 —	417,550 —
32	Deposits with bank	3,157 —	3,803 —
		790,740	857,464
Current assets			
	Debtors and prepayments	3,026	3,122
34	Short-term investments	381 —	6,948 —
		3,407 —	10,070 —
		794,147	867,534
Current liabilities			
	Creditors, accrued liabilities, and provisions	3,957	13,441
35	Bank and other advances	19,307	21,464
36	Taxation	2,555	3,675
37	Dividends	17,677 —	16,000 —
		43,496	54,580
		750,651	812,954

Notes on the accounts

The Burmah group

These notes form part of the annual accounts

1 The Burmah group

The term 'The Burmah group' or 'group' means The Burmah Oil Co Ltd and its subsidiary companies.

2 Accounting policies

(a) The consolidated accounts include (i) the accounts of the parent company and its subsidiary companies, which, with minor exceptions, are made up to 31st December, and (ii) the group's share of the profits and post-acquisition undistributed reserves of principal associated companies extracted from the relevant accounts, some of which are unaudited, made up to 31st December or not more than six months earlier adjusted to conform with group accounting policies. The British Petroleum Co Ltd is not regarded as an associated company although the group's holding therein is in excess of 20 per cent.

(b) All assets, liabilities, reserves and profits in foreign currencies are stated in sterling at the approximate rates of exchange ruling on 31st December, except for the company's dollar bonds.

(c) Exploration and development expenditure in countries where commercial production has been achieved is capitalised and depleted by a unit of production method based on the estimated recoverable reserves or as appropriate to meet particular circumstances. No provision is made either in any country where, although production has not been achieved, the commercial value of the reserves discovered is estimated to exceed the total exploration costs to date, or in certain cases against the cost of unexplored leased areas. In the latter case interest may be treated as forming part of the cost thereof. Full provision is made for exploration costs in countries where commercial reserves have not been discovered.

(d) Depreciation is calculated by reference to the cost, less grants where applicable, and to the estimated effective lives of the properties and operating assets concerned. The methods and rates used are dependent on local conditions in the countries in which the group operates.

(e) Investments in principal associated companies are stated at the total of cost less amounts written off and the group's share of the post acquisition reserves of such companies. Those trade investments and the investment in The British Petroleum Co Ltd which are quoted on stock exchanges are revalued each year at market values ruling on 31st December and the movements resulting therefrom are adjusted through the investment revaluation reserve which thus represents the unrealised surplus attributable to these investments. Unquoted trade investments are stated at a value estimated by the directors. Associated companies which are not material are dealt with as trade investments.

(f) Stores and stocks are stated at the lower of cost and net realisable value.

(g) The consolidated profit and loss account deals with the results for the year of newly acquired subsidiaries but an appropriate deduction is made from profit after taxation to eliminate that part of such results deemed to have arisen prior to acquisition.

(h) Trade investment income and dividends from UK companies include dividends received up to 31st December and all dividends receivable in respect of accounting periods ending on or before 31st December which have been declared prior to the last practicable date for inclusion in the accounts.

(i) Dividends from companies incorporated overseas are grossed up at the rates of foreign taxation estimated to be applicable to the profits and distributions.

(j) Research and development expenditure is written off in the year in which it is incurred.

(k) Provision is made for deferred taxation representing tax allowances which are in excess of the equivalent charge for depreciation, depletion and amortisation.

3 Overseas assets

Part of the assets of the group is situated overseas in countries where restrictions on remittances are in force.

4 Turnover	1973 £ thous	1972 £ thous
Invoiced value of sales to external customers	595,426	438,796
Duties, taxes and other imposts levied by governments estimated at	99,560	90,289
Turnover net of duties	495,866	348,507

5 Profit on trading

Profit on trading is after charging the cost of chartering tankers £24,429,000 (1972 £15,722,000) and hire of plant and machinery £1,743,000 (1972 £1,422,000). Auditors' remuneration amounted to £509,000 (1972 £417,000).

6 Share of profits of associates	1973 £ thous	1972 £ thous
Quoted on stock exchanges	96	141
Unquoted	9,158	5,829
	9,254	5,970

The share of profits of quoted associates for 1972 included £57,000 in respect of a company which is no longer regarded as an associate.

7 Directors' emoluments

	1973 £ thous	1972 £ thous
(a) The pre-tax emoluments, including pension contributions, of the directors of The Burmah Oil Co Ltd paid by the company and its subsidiaries were :		
Fees ,	41	34
Remuneration	192	159
	<hr/>	<hr/>
	233	193
(b) The pre-tax emoluments, excluding pension contributions, of :		
(i) the chairman were	15	15
	<hr/>	<hr/>
*(ii) the highest paid director were	27	27
	<hr/>	<hr/>

*(c) The number of directors whose pre-tax emoluments, excluding pension contributions, fell within the following ranges was :

	1973	1972
Not more than £2,500	3	3
£5,001 to £7,500	3	2
£10,001 to £12,500	—	1
£12,501 to £15,000	1	1
£15,001 to £17,500	3	3
£17,501 to £20,000	3	2
£25,001 to £27,500	1	1

* Excluding a director who discharged his duties mainly outside the United Kingdom.

8 Dividends from UK companies

	1973 £ thous	1972 £ thous
Quoted on stock exchanges		
The British Petroleum Co Ltd	12,533	10,140
The 'Shell' Transport and Trading Co Ltd	1,494	1,577
Others	6	9
	<hr/>	<hr/>
Unquoted	14,033	11,726
	<hr/>	<hr/>
	17	8
	<hr/>	<hr/>
	14,050	11,734

The above dividends are the amounts of cash received or receivable and do not include, as appropriate, either the related tax credits or the income tax deducted at source.

9 Other trade investment income

	1973 £ thous	1972 £ thous
Quoted on stock exchanges	381	188
Unquoted	716	652
	<hr/>	<hr/>
	1,097	840

This income comprises both dividends and interest on trade investments but excludes dividends (but not interest) from United Kingdom companies which are shown separately in the consolidated profit and loss account.

10 Interest

	1973 £ thous	1972 £ thous
Interest payable		
*Bank advances, and loans repayable within five years	9,216	4,833
All other loans	9,290	6,804
	<hr/>	<hr/>
Less interest receivable on short-term investments etc	18,506	11,637
	<hr/>	<hr/>
	2,347	1,866
	<hr/>	<hr/>
	16,159	9,771

*Excludes £1,555,000 (1972 nil) capitalised as part of the cost of oil and gas exploration and development.

11 Taxation charge

(a) The charge in the consolidated profit and loss account, which is based on the profit for the year and includes adjustments in respect of deferred taxation, comprises :

	1973 £ thous	1972 £ thous
UK taxation		
Corporation tax at 49% (1972 40%)	4,432	5,161
Less relief for overseas taxation	3,602	3,355
	<hr/>	<hr/>
	830	1,806
Taxation on dividends payable (see [c] on next page)	1,476	1,747
Overseas taxation	15,280	10,424
	<hr/>	<hr/>
	17,586	13,977
Less prior year adjustments	3,823	934
	<hr/>	<hr/>
	13,763	13,043
Less claims for transitional UK taxation relief under section 84 as amended of the Finance Act 1965 'overspill relief', estimated for 1973/74 at	500	525
	<hr/>	<hr/>
	13,263	12,518
Less amount representing corporation tax relief available on setting revenue losses against chargeable capital gains (see note 14)	2,858	1,360
	<hr/>	<hr/>
	10,405	11,158

Whereof applicable to the share of profits of associates

5,560	3,654
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(b) Provision for UK and overseas taxation has been made on all profits dealt with to date except for (i) the potential taxation liabilities to which reference is made in note 22, (ii) taxation on sales of sundry fixed assets where claims for 'roll-over' relief under section 33 of the Finance Act 1965 are available, and (iii) taxation which would arise on the distribution by certain overseas subsidiaries and associates of profits totalling approximately

Notes on the accounts

(continued)

£69 million (1972 £41 million). Of these profits some £46 million (of which £26 million, including extraordinary items of £6 million, arose in 1973) have not suffered tax. Such profits, if distributed, would therefore be subject to the full rate of UK corporation tax applicable.

(c) Because of the availability of tax credits on dividends from UK companies, including those receivable in 1974, provision for advance corporation tax on the company's distributions is restricted to an amount of £1,476,000 relating to the interim dividend. The provision of £2,860,000 set aside in 1972 is not required and has been released as a prior year adjustment.

12 Minority interests and pre-acquisition profit

	1973 £ thous	1972 £ thous
Profit attributable to minority interests	1,184	1,127
Pre-acquisition profit of subsidiaries acquired during the year	184	372
	1,368	1,499

13 Preference stock dividends

(see note 20)

	1973 £ thous	1972 £ thous
4·2% cumulative first preference stock	10	10
4·2% cumulative second preference stock	32	29
5·6% cumulative preference stock	168	157
5·075% cumulative redeemable preference stock	761	682
	971	878

Ordinary stock dividends

Interim 4·62p paid 10th January 1974 equivalent to 6·60p gross (1972 6·25p gross)	6,648	5,492
Second interim – nil (1972 4·35p gross)	—	3,832
Final 7·504p payable 3rd July 1974 now recommended equivalent to 11·20p gross (1972 4·48p net equivalent to 6·40p gross)	10,797	6,444
Total 12·124p equivalent to 17·80p gross (1972 17·00p gross)	17,445	15,768
Aggregate amount of dividends paid and recommended	18,416	16,646

Subsequent to 5th April 1973 dividends are payable under the imputation tax system and the amounts of such dividends shown above do not include the related tax credit. For the purpose of comparability dividends paid prior to that date are shown excluding the related income tax.

	1973 £ thous	1972 £ thous
Adjustments on currency realignments	8,753	5,469
Profit on realisation of assets	14,056	5,330
Release from provision made in 1971 against possible non-recovery of excess freight charges to Bangladesh	349	176
Reorganisation and redeployment costs	(1,011)	(1,209)
Provisions and other adjustments relating to investments in associates	(1,125)	(3,484)
Provisions less taxation relief for estimated pension liabilities	(1,583)	(3,500)
Acquisition expenses	(357)	(334)
Adjustments to previous years' provisions for deferred taxation and exploration costs	(4,047)	—
Miscellaneous	(135)	53
Provision against investment in Compañía Petrolera Lobitos SA	—	(750)
	14,900	1,751
Whereof attributable to associates	(589)	114

Profit on realisation of assets includes £15,598,000 (1972 £5,810,000) realised during the year but recognised earlier in investment revaluation reserve. Extraordinary items are stated after deducting £2,858,000 (1972 £1,360,000) representing corporation tax on chargeable capital gains, against which gains there are revenue losses available to give taxation relief (see note 11).

15 Earnings attributable to members of the company

	1973 £ thous	1972 £ thous
Earnings attributable to the group	45,190	22,381
Extraordinary items	14,900	1,751
Attributable to members	60,090	24,132
Dealt with in the accounts of the company	30,347	21,547
Retained in subsidiaries	29,525	2,078
Retained in associates	218	507
	60,090	24,132

16 Earnings per ordinary stock unit (net basis)

The computation for 1973 is based on the earnings, before crediting extraordinary items, attributable to ordinary stockholders £44,219,000 (1972 £21,503,000) and the weighted average amount of ordinary stock in issue during the year £143,857,000 (1972 £141,182,000). See also note 11 (b) regarding potential taxation liabilities.

17 Share capital (see note 20)	1973 £ thous	1972 £ thous
Issued and fully paid		
4·2% cumulative first preference stock	250	250
4·2% cumulative second preference stock	750	750
5·6% cumulative preference stock	3,000	3,000
* 5·075% cumulative redeemable preference stock	15,000	15,000
	19,000	19,000
Ordinary stock	143,886	142,685
	162,886	161,685

Unissued		
† Ordinary shares of £1 each	4,014	3,400
Unclassified shares of £1 each	33,100	34,915
Authorised share capital	200,000	200,000

* The company has power to redeem this preference stock on or after 31st October 1981 at par plus a premium of whichever is the greater of:
(a) the sum per share specified below and
(b) the amount per share equal to the excess over par of the average stock exchange quotation (less a sum equal to the accrual of the fixed dividend after tax) during the period of six months dating from thirty days before the date on which the company gives a notice of redemption.

Up to 31st October 1982 7½p
1st November 1982 to 31st October 1984 5p
1st November 1984 to 31st October 1986 2½p
After 31st October 1986 Nil

† Reserved to satisfy in full the rights comprised in the ordinary stock warrants 1972/75 (see note 18).

18 Warrants

Ordinary stock warrants 1972/75 are in issue which entitle registered holders to acquire in the aggregate £4,014,000 ordinary stock of the company on 30th June in either 1974 or 1975 at £4 per £1 stock unit for cash or by the surrender of £4 nominal value of the company's 8½% loan stock 1991/96.

19 Share premium	£ thous Group	£ thous Company
At 31st December 1972	26,295	26,295
Add premium arising on £59,000 ordinary stock issued as a result of the exercise of conversion rights by holders of ordinary stock warrants 1972/75	177	177
Add premium arising on £1,142,000 ordinary stock (£3,724,000) less discount on £417,000 8½% loan stock 1991/96 (£57,000) issued in connection with the acquisitions of Quinton Hazell (Holdings) Ltd and Alexander Cheyne Ltd	3,667	3,667
Less capital issue expenses	30,139	30,139
	97	97
At 31st December 1973	30,042	30,042

20 Preference Stocks

As regards each preference stock, the dividend right established before 6th April 1973 at a gross rate was reduced under the Finance Act 1972 to seven-tenths of its former rate. Thus the 4·2%, the 5·6% and the 5·075% preference stocks respectively were formerly 6% gross, 8% gross and 7½% gross.

21 Capital surplus

	£ thous Group	£ thous Company
At 31st December 1972	21,660	11,306
Add amount attributable to 182,000 ordinary stock warrants 1972/75 issued in connection with the acquisition of Quinton Hazell (Holdings) Ltd	194	194
Add transfer from general retentions	14,749	10,209
At 31st December 1973	36,603	21,709
Whereof attributable to associates	52	

22 Investment revaluation reserve

	£ thous Group	£ thous Company
At 31st December 1972	453,352	453,260
Less attributable to investments sold during the year	15,600	15,598
	437,752	437,662

Less decrease in market or equivalent value of investments held at 31st December 1972 or acquired during the year

At 31st December 1973

The company and certain subsidiaries would be subject to UK corporation tax on any chargeable capital gains which might arise on the disposal of their quoted investments. No provision has been made for these potential taxation liabilities.

So far as concerns the two largest quoted investments, namely the holdings of 82,857,365 ordinary stock units of £1 each in The British Petroleum Co Ltd and of 11,275,552 registered ordinary shares of 25p each in The 'Shell' Transport and Trading Co Ltd, the 'cost' for the purposes of computing chargeable capital gains and the middle market quotations at 31st December 1973 were, respectively, 254½p and 534½p per stock unit for The British Petroleum Co Ltd and 165p and 230p per share for The 'Shell' Transport and Trading Co Ltd.

Notes on the accounts

(continued)

23 General retentions

	£ thous Group	£ thous Company
At 31st December 1972	67,599	46,597
Less attributable to an associate now dealt with as a trade investment	35	
	67,564	
Add retained in subsidiaries	29,525	
Add retained in associates	218	
Add retained in the company	11,931	11,931
	109,238	58,528
Less transfer to capital surplus	14,749	10,209
At 31st December 1973	94,489	48,319
Whereof attributable to associates	2,369	
	—	

^a To be redeemed prior to 1st September 1981 either at not more than £102 per cent by drawings or by the surrender of stock purchased by the company in the market at or under par at any time, to the extent that the company shall apply to redemption not less than £25,000 in each year. Any stock not previously redeemed to be repaid at par on 1st September 1981.

^b To be redeemed during the three years ending 15th August 1981 by drawings, or on that date, at par. The company may at any time purchase stock in the market at any price (by private treaty at not more than £105 per cent) such stock to be thereupon cancelled.

^c The bonds, which mature on 1st November 1985, are coupon bearer bonds of DM 1,000 each, redeemable at par in ten annual instalments, varying between DM 2,500,000 and DM 7,500,000, commencing 1st November 1976 or, at the option of the company, from that date at redemption prices equal to the principal amount of the bonds plus premiums varying up to 4%.

^d To be redeemed during the five years ending 29th June 1986 at £102 per cent pro rata to holdings or by drawings or on 30th June 1986 at par. The company may purchase stock at any time, such stock to be thereupon cancelled.

^e The bonds, which are coupon bearer bonds of Lux. Frs. 50,000 each, are redeemable at par in ten equal annual instalments commencing 30th June 1978, or at the option of the company, from that date at redemption prices equal to the principal amount of the bonds plus premiums varying up to 2-25%.

^f To be redeemed during the five years ending 31st August 1996 pro rata to holdings or by drawings, or on that date, at par. The company may at any time purchase stock in the market at any price (by private treaty at not more than £110 per cent) such stock to be thereupon cancelled.

Stock registered in the names of persons who are also registered holders of warrants is convertible into ordinary stock of the company. These conversion rights are set out in note 18.

24 Loan capital

	1973 Group	£ thous Company		1972 Group	£ thous Company
Not wholly repayable within five years					
Secured					
^a 4½% debenture stock 1968/81	459	459		624	624
Unsecured					
^b 6½% loan stock 1978/81	456	456		456	456
^c 8½% Deutsche mark bonds 1970/85	7,962	7,962		6,658	6,658
^d 7½% loan stock 1981/86	15,354	15,354		15,354	15,354
^e 7% Luxembourg franc bonds due 1987	5,214	5,214		4,837	4,837
^f 8½% loan stock 1991/96	54,258	54,258		53,969	53,969
^g 7½% Belgian franc bonds due 1992	5,318	—		4,933	—
Repayable within five years					
Secured					
^h 6½% debenture stock 1978	2,625	2,625		3,150	3,150
Unsecured					
ⁱ 5½% US dollar bonds due 1988	28,763	28,763		28,763	28,763
^j 5% Canadian dollar debentures due 1993	8,658	—		—	—
	129,067	115,091		118,744	113,811
	—	—		—	—

^a The bonds, which were issued as registered bonds of B.Frs. 5,000 each but which may be changed into bearer certificates at the request of the bondholder, are redeemable at par in fifteen equal annual instalments commencing 15th June 1978 or, at the option of the company, from that date at redemption prices equal to the principal amount of the bonds plus premiums varying up to 3%.

^b To be redeemed by equal annual instalments of £525,000 during the five years ending 30th June 1978 either at par by means of drawings or by the surrender of stock purchased by the company in the market at or under par at any time or by a combination of both methods.

At 31st December 1973 £153,000 of this stock which had been purchased by the company had not been surrendered. The cost thereof (£139,000) is included in debtors.

^c The bonds, which are coupon bearer bonds of \$1,000 each, may, until maturity or prior redemption, be repaid in the sum of £416·67 in sterling (at which rate they are stated in the company's accounts) at the option of the bearer and in that event the proceeds of repayment will be applied in purchasing from the company registered ordinary shares of The 'Shell' Transport and Trading Co Ltd (such shares being owned by The Burmah Oil Co Ltd) at the initial 'conversion' rate of 96 ordinary shares per \$1,000 principal amount of bonds, subject to adjustment under certain conditions. The bonds which mature on 1st October 1988 are redeemable at the option of the company beginning on 1st October 1978, except that prior to that date the company may redeem all the bonds then outstanding if 75% of the bonds have been 'converted' or if any United Kingdom taxes on payments on the bonds are required to be withheld or paid by the company, all at redemption prices equal to the principal amount of the bonds plus in certain circumstances premiums varying up to 3%. (See also footnote [c] on page 46).

^d The debentures, which were issued in denominations of Can. \$1,000 each by Great Plains Development Co of Canada Ltd (Great Plains) are redeemable through the operation of a sinking fund between 1st February 1984 and 1993. Great Plains may redeem the debentures in whole or in part after 1st February 1978 at redemption prices equal to the principal amount of the debentures plus premiums varying up to 5% and may do so earlier subject to the fulfilment of certain conditions relating to the market price of its quoted shares. Great Plains may at any time purchase the debentures in the market at prices not exceeding the aforementioned redemption prices. The debentures are also convertible into shares of Great Plains at a conversion rate equivalent to Can. \$44 per share.

25 Deferred liabilities	1973	1972
	£ thous	£ thous
*Loans from gas utility companies	44,431	—
Tanker charters	22,855	8,957
Deferred taxation	18,440	6,677
Provisions for pensions and overseas social legislation (see note 39 [e])	9,048	5,847
Obligation under gas transportation contract	2,730	2,323
	<u>97,504</u>	<u>23,804</u>

*Interest free and repayable within 10 years.

27 *Subsidiary companies	1973	1972
	£ thous	£ thous
Shares at cost less amounts written off	140,175	123,392
Dividends receivable	9,920	11,082
Amounts due from subsidiaries	157,251	152,090
	<u>307,346</u>	<u>286,564</u>
Less amounts due to subsidiaries	17,022	13,234
	<u>290,324</u>	<u>273,330</u>

* Excluding Burmah Investments Ltd (see note 30).

26 Properties and operating assets	£ thous		
	Properties	Operating assets	Total
	freehold	leasehold	
Cost			
At 31st December 1972	44,657	16,027	235,530
Subsidiaries acquired	1,332	462	4,610
Capital expenditure	5,524	2,112	82,938
Regional development and other grants	(11)	(27)	(580)
Exchange adjustments	1,339	353	11,248
Disposals and other adjustments	(1,078)	(623)	(4,489)
At 31st December 1973	<u>51,763</u>	<u>18,304</u>	<u>329,257</u>
Depreciation, depletion and amortisation			
At 31st December 1972	4,431	4,585	69,007
Subsidiaries acquired	288	68	2,980
Charge for year	863	531	14,555
Exchange adjustments	262	168	2,178
Disposals and other adjustments	28	(188)	(4,094)
At 31st December 1973	<u>5,872</u>	<u>5,164</u>	<u>84,626</u>
Net per consolidated balance sheet			
At 31st December 1973	45,891	13,140	244,631
At 31st December 1972	<u>40,226</u>	<u>11,442</u>	<u>166,523</u>
Oil and gas exploration and development costs are dealt with under operating assets. Such costs include £91 million (1972 £60 million) relating to (i) unexplored leased areas £41 million (1972 £29 million) and (ii) areas where reserves have been established but production has not been achieved £50 million (1972 £31 million). No provision for depletion has been made in respect of these items.			<u>218,191</u>

Leasehold properties (net) with an unexpired life of not less than fifty years amount to £7,249,000 (1972 £6,273,000).

28 Associated companies	1973			
	Group	£ thous	Group	£ thous
Quoted on stock exchanges outside Great Britain				
At cost	4,383	—	4,573	856
Unquoted				
At cost	24,659	21,450	24,170	21,450
Less amounts written off	1,330	1,330	1,330	1,330
	<u>23,329</u>	<u>20,120</u>	<u>22,840</u>	<u>20,120</u>
Advances	4,579	4,579	4,747	4,747
Share of reserves	2,421		2,238	
	<u>34,712</u>	<u>24,699</u>	<u>34,398</u>	<u>25,723</u>
Market valuation of quoted investments	1,600	—	2,890	400
Information regarding unquoted investments shown above at cost:				
Share of profits (see note 6)	9,158		5,829	
Overseas taxation	5,514		3,563	
Profit after taxation	3,644		2,266	
Dividends dealt with by the group	2,887		1,903	
Retained earnings	757		363	
Extraordinary items	36		25	
Retained	793		388	
Retention at 31st December 1972	1,489		1,101	
Retention at 31st December 1973	2,282		1,489	

Notes on the accounts

(continued)

29 Trade investments

	1973		1972		
	Group	£ thous	Company	Group	£ thous
Quoted on stock exchanges					
At market value					
In Great Britain	26,014	25,934	57,089	56,965	
Outside Great Britain	3,576	2,946	3,516	2,710	
	29,590	28,880	60,605	59,675	
Unquoted					
At value estimated by the directors					
Equity Advances	1,958	609	1,366	609	
	18,704	138	14,559	—	
	20,662	747	15,925	609	
	50,252	29,627	76,530	60,284	

An investment in a company operating in Pakistan, formerly dealt with as an associate, is now included in trade investments.

No market quotations are available for companies operating in Bangladesh, and investments in such companies are therefore dealt with as unquoted.

30 The British Petroleum Co Ltd and Burmah Investments Ltd

The group's investment in The British Petroleum Co Ltd ('BP') comprises 82,857,365 ordinary stock units of £1 each and 99,000 5·6% (formerly 8% gross) first preference stock units of £1 each (both securities being quoted on stock exchanges in Great Britain) with an aggregate market value of £442,933,000.

12,857,365 ordinary stock units and all the preference stock units having an aggregate market value of £68,783,000 are held directly by the company. The balance of the ordinary stock units, having a market value of £374,150,000 is held by a wholly-owned subsidiary Burmah Investments Ltd and constitutes its only asset. The net book value of the company's investment in this subsidiary is represented by a loan account standing at a figure identical to the market value of the underlying investment in BP.

31 Long-term interests in tankers

The amount of £9,114,000 (1972 £8,438,000) represents the interests of subsidiaries in tanker charters extending for various periods into the future accompanied in certain cases by options to purchase the vessels concerned at the end of the charter periods. The subsidiary's interests in the vessels will be amortised over the periods in which the interests subsist. A substantial part of the subsidiary's corresponding obligations under these arrangements is not immediately payable and is included under deferred liabilities.

32 Deposits with bank

In 1963 the company issued inter-alia £5,250,000 6½% debenture stock 1978 to provide part of the foreign exchange required for the construction of a pipeline in India. The proceeds were placed on deposit with the Bank of Scotland who held this sum as security for a loan of a like amount made by them to Oil India Ltd. When repayments of loan principal are made by Oil India Ltd to the bank corresponding amounts are released by the bank to the company.

	1973 £ thous	1972 £ thous
Deposit as above	2,625	3,150
Other deposits held by the Bank of Scotland as security for :		
Further loans to Oil India Ltd	452	533
Loans to a subsidiary	80	120
	3,157	3,803

33 Debtors and prepayments

Included in Debtors is an advance, since repaid, of a bridging loan of £38,000 to a director for the purpose of enabling him properly to perform his duties as an officer of a subsidiary by purchasing a house in the Swindon area in accordance with that subsidiary's terms and conditions relating to the move to Swindon.

34 Short-term investments

	1973		1972	
	Group	£ thous	Group	£ thous
Loans and miscellaneous securities	130	—	2,009	—
Money at call and short notice	40,232	381	18,083	6,948
	40,362	381	20,092	6,948

35 Bank and other advances

	1973		1972	
	Group	£ thous	Group	£ thous
Secured	9,026	—	13,089	—
Unsecured	88,403	19,307	50,396	21,464
	97,429	19,307	63,485	21,464
Whereof advances which need not be repaid within the next five years	12,748		6,638	

36 Taxation liabilities

	1973		1972	
	Group	£ thous Company	Group	£ thous Company
UK corporation tax due				
1st January 1975	25	—	914	—
Current taxation	8,374	2,555	8,178	3,675
	<hr/>	<hr/>	<hr/>	<hr/>
	8,399	2,555	9,092	3,675
	<hr/>	<hr/>	<hr/>	<hr/>

(d) Certain subsidiaries have contractual commitments in respect of tanker in-charters and leased facilities involving hire charges (exclusive of certain operating costs) as follows:

Commitments estimated as payable during 1974 £53 million

Commitments estimated as payable during 1975 £63 million

Thereafter extending up to the year 2003 there are similar commitments, the net present value of which discounted at 15 per cent per annum is estimated to amount to

£313 million

37 Dividends (accrued)

	1973		1972	
		£ thous		£ thous
Preference stock		232		232
Ordinary stock:				
First interim		6,648		5,492
Second interim		—		3,832
Final now recommended		10,797		6,444
	<hr/>	<hr/>	<hr/>	<hr/>
	17,677		16,000	
	<hr/>	<hr/>	<hr/>	<hr/>

It is impossible to predict, with certainty, circumstances over a period extending beyond the year 2000 but the terms of firm out-charters, contracts of affreightment and other arrangements so far entered into, already provide for income being earned over the period to match a very substantial part of the aggregate amount of the commitments. Guarantees have been given by the company in respect of the obligations of the subsidiaries and also in relation to certain joint ventures with which they are associated. No amounts in respect of such guarantees are included in (c) at the foot of the previous column.

(e) Pensions payable under overseas social legislation and contributions to various group pension schemes.

(f) Various disputed claims for overseas taxation.

(g) Sundry commitments and contingencies arising in the ordinary course of business.

38 Capital expenditure of the group

	1973		1972	
		£ thous		£ thous
Capital expenditure approved by the board amounts to approximately		174,000		70,000
Contracts placed against these approvals so far as not provided for in these accounts amount to approximately		9,500		6,000

In addition to the foregoing the board had approved at 31st December 1973 a cash offer of US \$420 million (£183 million) for all the issued equity capital of Signal Oil and Gas Company.

39 Commitments and contingent liabilities

	1973		1972	
	Group	£ thous Company	Group	£ thous Company
(a) Amounts uncalled on partly paid shares:				
Subsidiaries	—	1,122	—	901
Associates	2,261	2,261	2,250	2,250
Trade investments	276	180	281	180
	<hr/>	<hr/>	<hr/>	<hr/>
	2,537	3,563	2,531	3,331
	<hr/>	<hr/>	<hr/>	<hr/>

(b) Guarantees of bank overdraft facilities granted to subsidiaries	—	44,000	—	29,000
(c) Other guarantees etc	50,000	44,000	25,500	19,500

*Principal subsidiary companies

The Burmah group

Country of operation Name of subsidiary (and country of registration or incorporation)	Shares held by company as at 31st December 1973	Shares held by subsidiaries	Principal products or activities
International			
Burmah Industrial Products Ltd (England)	100%	—	Building and electrical materials
Burmah Oil Tankers Ltd (Bermuda)	—	100%	Tanker operations
Castrol Ltd (England)	—	100%	Lubricants marketing
Flexibox Ltd (England)	100%	—	Mechanical seals
Petrocarbon Developments Ltd (England)	—	100%	Chemical plant design
Quinton Hazell (Holdings) Ltd (England)	100%	—	Automotive components
The Rawlplug Co Ltd (England)	100%	—	Masonry fixing systems
United Kingdom			
Apex Petroleum Ltd (England)	—	100%	Oil marketing
Burmah Investments Ltd (England)	100%	—	Holding stock in BP
Burmah Oil (North Sea) Ltd (Scotland)	100%	—	Exploration
Burmah Oil Trading Ltd (England)	100%	—	Refining, manufacturing and marketing
Halfords Ltd (England)	100%	—	Retailing motor accessories
J. H. Carruthers & Co Ltd (Scotland)	100%	—	Heavy cranes
Major & Co Ltd (England)	100%	—	Oil marketing
100% preference	—	—	
Petroleum Supplies and Services Ltd (Scotland)	—	100%	Oil purchases and sales
Standard Motorists Centres Ltd (England)	—	100%	Tyres and batteries
Australia			
Basin Oil NL (Australia)	—	* 51·3%	Exploration
BOC of Australia Ltd (Papua)	—	† 100%	Exploration
Burmah Oil Australia Ltd (Australia)	—	100%	Marketing and holding company
Mid-Eastern Oil NL (Australia)	—	† 100%	Exploration
Reef Oil NL (Australia)	—	67%	Exploration
Vamgas NL (Australia)	—	† 53·1%	Exploration
Woodside-Burmah Oil NL (Australia)	—	54·5%	Holding company
Woodside Oil NL (Australia)	—	† 100%	Exploration
* 20·5 held by Reef Oil NL † held by Woodside-Burmah Oil NL			
Austria			
Castrol Austria GmbH (Austria)	—	100%	Lubricants marketing
Belgium			
Burmah Trading NV (Belgium)	6·5%	93·5%	Oil marketing
Bermuda			
Petroleum Supplies and Services (Bermuda) Ltd (Bermuda)	100%	—	Oil supply services
Brazil			
Castrol do Brasil SA (Brazil)	—	100%	Lubricants marketing
Canada			
Burmah-Castrol Canada Ltd (Canada)	—	100%	Lubricants marketing
Great Plains Development Co of Canada Ltd (Canada)	—	64·7%	Exploration and production

* The particulars given relate only to those subsidiaries whose results, in the opinion of the directors, principally affect the amount of the profit, or assets, of the group.

Country of operation Name of subsidiary (and country of registration or incorporation)	Shares held by company as at 31st December 1973 (all ordinary except where otherwise stated)	Shares held by subsidiaries	Principal products or activities
Denmark Castrol A/S (Denmark)	—	100%	Lubricants marketing
Ecuador Anglo-Ecuadorian Oilfields Ltd (England)	51·2%	—	Integrated oil company
France SA des Huiles Castrol (France)	—	100%	Lubricants marketing
India Assam Oil Co Ltd (England) The Tinplate Co of India Ltd (India)	100% —	— 66·7%	Integrated oil company Tinplate manufacturing
Netherlands Burmah Castrol Nederland NV (Netherlands)	100%	—	Oil marketing
Pakistan Pakistan Petroleum Ltd (Pakistan)	70%	—	Exploration and production
Republic of Ireland Burmah-Castrol (Ireland) Ltd (Ireland)	—	100%	Oil marketing
Singapore Burmah (Far East) Private Ltd (Singapore)	—	100%	Lubricants marketing
South Africa Castrol South Africa (Pty) Ltd (South Africa)	—	100%	Lubricants marketing
Sweden A/B Svenska Uno-X (Sweden)	—	100%	Oil marketing
Switzerland Castrol (Switzerland) AG (Switzerland)	—	100%	Lubricants marketing
United States of America Burmah Oil Inc (USA) Burmah Oil Development Inc (USA) Castrol Oils Inc (USA) Edwin Cooper Inc (USA)	100% — — —	— 100% 100% 100%	Holding company Exploration and production Lubricants marketing Chemical additives
West Germany Deutsche Castrol GmbH (West Germany) Deutsche Veedol GmbH (West Germany) Tabbert Wohnwagenwerke GmbH (West Germany)	— — —	100% 100% 100%	Lubricants marketing Lubricants marketing Caravans

*Principal associated companies

The Burmah group

£ thousands

Country of operation Name of company (and country of registration or incorporation) Principal products or activities	^d Equity capital	^d Reserves	^d Preference capital	^d Loan capital	Interest of the Burmah group
International					
Candles Ltd (England) Candles	2,500	203	—	—	Equity 36·1%
Australia					
^a Santos Ltd (Australia) Exploration and production	5,973	5,905	—	3,878	Equity 33·9%
India					
Burmah-Shell Oil Storage & Distributing Co of India Ltd (England) Oil marketing	10,000	734	—	—	Equity 50%
Burmah-Shell Refineries Ltd (India) Refining	7,770	1,348	—	—	Equity 50%
Oil India Ltd (India) Exploration, production and transportation	14,965	6,020	—	11,224	Equity 50%

*Principal trade investments

International					
^b The British Petroleum Co Ltd (England) Integrated oil company	386,100	1,803,600	5·6% 7,200 6·3% 5,500	971,800	Equity 21·5% 5·6% Pref -1·3% 6·3% Pref - nil
^c The 'Shell' Transport and Trading Co Ltd (England) Integrated oil company	138,104	1,653,198	12,000	—	Equity 2%
Bangladesh					
Burmah Eastern Ltd (Bangladesh) Oil marketing	1,337	196	—	—	Equity 49%
Eastern Refinery Ltd (Bangladesh) Refining	2,675	(584)	—	2,817	Equity 30%
Pakistan					
Pakistan Burmah Shell Ltd (Pakistan) Oil marketing	1,766	164	—	—	Equity 24·5%
Pakistan Refinery Ltd (Pakistan) Refining	2,649	1,984	—	—	Equity 15%
Sui Gas Transmission Co Ltd (Pakistan) Gas transportation	1,669	596	—	2,614	Equity 24·5%
Sui Northern Gas Pipelines Ltd (Pakistan) Gas transportation	5,210	610	—	24,542	Equity 33·3%

^a Shares held by Burmah Oil Australia Ltd.

^b The parent company holds 3·4% and a wholly-owned subsidiary, Burmah Investments Ltd, holds 18·1% of the ordinary stock.

^c In connection with the issue in 1968 of US \$70 million 5½% dollar bonds due 1988 the company transferred to the Bank of Scotland, as depositary, 6,720,000 registered ordinary shares of 25p each of The 'Shell' Transport and Trading Co Ltd into which the entire principal amount of the bonds might be convertible at the initial conversion rate. After meeting requests for conversions to date, the depositary holds 6,626,976 such ordinary shares. Until conversions are made such shares remain the property of the company and do not constitute security for the bonds.

^d The amounts quoted are as shown in the latest available audited accounts and have not been adjusted to conform to group accounting policies.

* The particulars given relate only to those companies whose results, in the opinion of the directors, principally affect the amount of the profit, or assets, of the company.

Five year summary

The Burmah group

Group balance sheet

	1969	1970	1971	1972	1973
Employment of funds					£ millions
Fixed assets	98.86	128.88	161.20	218.19	303.66
Investments in associates	38.21	39.57	37.09	34.40	34.71
Trade investments/deposits	89.16	87.48	83.07	88.77	62.52
The British Petroleum Co Ltd	439.23	379.15	424.74	494.32	442.93
Current assets:					
Stores and Stocks	30.23	39.98	47.33	73.72	90.74
Debtors and prepayments	62.39	72.22	76.13	100.66	128.29
Short-term investments, bank balances and cash	65.45	42.80	31.03	27.78	52.70
	158.06	156.00	154.42	201.79	271.73
Less bank advances	24.40	34.03	36.61	63.48	97.43
Less other current liabilities	61.75	76.49	76.39	153.76	125.95
	86.15	106.68	111.80	196.24	223.38
Net current assets	71.91	54.42	42.59	5.55	48.35
	737.37	689.50	748.69	841.23	892.17
Financed by:					
Issued capital – preference	19.00	19.00	19.00	19.00	19.00
– ordinary	131.03	134.43	134.43	142.68	143.88
Reserves	461.47	408.53	452.98	505.01	* 460.63
Stockholders' funds	611.50	561.96	606.41	666.69	623.51
Minority interests	17.71	15.18	27.89	32.00	42.09
Loan capital	102.48	106.38	105.92	118.74	129.07
Deferred liabilities	5.68	5.98	8.47	23.80	† 97.50
Funds employed	737.37	689.50	748.69	841.23	892.17

* See notes 19 and 21 to 23 on pages 39 and 40

† See note 25 on page 41

Five year summary

(continued)

Group profit

	1969	1970	1971	1972	1972 Restated (note 1)	1973
						£ millions
Turnover net of duties	181.70	235.84	272.85	348.51	348.51	495.87
Net operating profit	13.82	15.24	19.06	26.27	26.27	48.72
Share of profits of associated companies	8.17	8.60	7.67	5.97	5.97	9.25
Dividends from UK companies (excluding dividends from BP) (note 2)	—	—	—	—	1.59	1.52
Other trade investment income	3.44	4.03	3.94	3.44	0.84	1.10
	25.43	27.87	30.67	35.68	34.67	60.59
Net interest charge	2.82	5.36	7.74	9.77	9.77	16.16
	22.61	22.51	22.93	25.91	24.90	44.43
Taxation	9.56	9.99	9.43	9.41	11.16	10.40
	13.05	12.52	13.50	16.50	13.74	34.03
Minority interests etc.	2.35	1.15	1.08	1.50	1.50	1.37
Earnings attributable to ordinary stockholders (excluding dividends from BP) (notes 3 & 4)						
	10.70	11.37	12.42	15.00	12.24	32.66
Dividends from BP (note 1)	16.46	17.64	17.11	16.55	10.14	12.53
Preference dividends (note 1)	1.39	1.39	1.39	1.39	0.88	0.97
Dividends from BP attributable to ordinary stockholders (note 4)	15.07	16.25	15.72	15.16	9.26	11.56
Total earnings attributable to ordinary stockholders (note 3)	25.77	27.62	28.14	30.16	21.50	44.22
Ordinary dividends (note 1)	12.71	13.17	13.59	15.77	15.77	17.45
Taxation on ordinary dividends	8.92	8.68	8.59	8.66	—	—
Retained earnings	4.14	5.77	5.96	5.73	5.73	26.77
Extraordinary items			(2.36)	1.75	1.75	14.90
	4.14	5.77	3.60	7.48	7.48	41.67
Associates' retentions	(0.72)	0.19	(0.06)	0.50	0.50	0.22
Group retentions	4.86	5.58	3.66	6.98	6.98	41.45
Group depreciation	7.03	7.91	9.72	11.72	11.72	15.95
Group cash flow from operations	11.89	13.49	13.38	18.70	18.70	57.40
Group capital expenditure after grants	27.50	35.47	31.10	61.93	61.93	89.96

Statistics

	1969	1970	1971	1972	1972 Restated (note 1)	1973
Average capital employed (£ millions) (note 5)	312.47	328.49	347.00	384.98	384.98	478.53
Return on average capital employed	8.1%	8.5%	8.8%	9.3%	9.0%	12.7%
Ordinary stock units on which statistics have been calculated (thousands) (note 6)	131,028	134,434	134,434	141,182	141,182	143,857
Earnings attributable to ordinary stockholders (£ millions) (note 3)	25.77	27.62	28.14	30.16	21.50	44.22
Earnings per ordinary stock unit	19.67p	20.55p	20.93p	21.36p	15.23p	30.74p
Dividends per ordinary stock unit	16.25p	16.25p	16.50p	17.00p	10.9725p	12.124p
Cover for ordinary dividend based on above figures	1.21	1.26	1.27	1.26	1.39	2.54
Contribution to ordinary dividend from own operations (note 7)	4.75p	4.16p	4.81p	6.26p	4.41p	4.09p
Cover for that portion of ordinary dividend paid from own operations (note 7)	1.72	2.03	1.92	1.70	1.96	5.55
Market quotations per ordinary stock unit						
Highest	675p	427p	477p	496p		506p
Lowest	355p	237p	298p	363p		354p
Ordinary stockholders' equity per stock unit at year end	452p	404p	437p	454p		420p
Ratio of stockholders' funds to loan capital	86.14	84.16	85.15	85.15		83.17
Number of stockholders (thousands)						
Preference stocks	18.8	17.7	17.0	16.1		14.6
Ordinary stock	153.2	169.1	163.3	165.7		162.3
Loan stocks (note 8)	53.3	52.9	51.3	50.2		53.3
	225.3	239.7	231.6	232.0		230.2

Notes

- 1 As a result of the introduction of the new imputation tax system the figures for 1973 are not comparable with those for earlier years. However, for the purpose of comparison, the 1972 figures have been restated in a separate column. Thus in the columns for 1973 and 1972 restated, neither dividends from UK companies nor dividends payable include the related tax credits or, as appropriate, the income tax deducted at source. For 1972 and earlier years dividends are shown gross.
- 2 Dividends from UK Companies (excluding those from BP) are included from 1969 to 1972 in other trade investment income.
- 3 Excluding extraordinary items.
- 4 As almost 80% of the preference stocks was issued in 1966 to enable Burmah to take up its share of a rights issue by BP, the total cost of the preference dividends, for the purpose of this summary, has been regarded as a charge against dividends from BP.

5 Average capital employed comprises funds employed and bank advances but excludes the investment in BP. The profit figures used are those before charging interest and taxation.

6 The ordinary stock units (a) for 1969 do not include 3,406,000 units issued in 1970 relating to the acquisition of Halfords on which final dividend for 1969 was paid and (b) for other years are based on the weighted average number of ordinary stock units in issue during each year.

7 Own operations refers to total earnings other than dividends from BP.

8 Excluding holders of foreign currency bonds.

Five year summary

(continued)

Sources and uses of funds

	1969	1970	1971	1972	1972 Restated	1973
Sources						£ thousands
Within the group						
Earnings attributable to ordinary stockholders	25,773	27,616	28,141	30,163	21,503	44,219
Less associates' retained earnings	(725)	191	239	393	393	807
	26,498	27,425	27,902	29,770	21,110	43,412
Depreciation, depletion and amortisation	7,026	7,910	9,724	11,722	11,722	15,949
Deferred taxation	686	611	—	2,360	2,360	3,608
Proceeds from sale of assets	5,129	973	11,171	3,711	3,711	5,656
Disposals of investments	680	4,250	3,960	6,489	6,489	14,447
Certain extraordinary and prior year items			(3,293)	1,906	1,906	1,406
Miscellaneous	—	31	728	931	931	1,061
	40,019	41,200	50,192	56,889	48,229	85,539
Outside the group						
Share capital and excess on consolidation	1,169	6,635	—	32,804	32,804	5,142
Loan capital and other loans	48,726	5,334	—	13,610	13,610	53,378
Regional development and other grants	4,682	3,794	2,128	893	893	618
Finance provided by minorities and others	695	551	14,627	11,559	11,559	24,243
	55,272	16,314	16,755	58,866	58,866	83,381
	95,291	57,514	66,947	115,755	107,095	168,920
Uses						
Dividends to ordinary stockholders	21,395	21,845	21,845	13,780	13,780	15,768
Expenditure on fixed assets	33,236	45,427	52,088	75,223	75,223	93,642
Addition to investments including net advances	188	5,084	2,736	11,491	11,491	5,181
Amounts paid for goodwill	4,957	1,752	688	39,725	39,725	9,062
Repayment of loan capital	518	1,634	682	1,569	1,569	617
Miscellaneous	372	—	401	353	353	180
Increase in working capital (excluding net liquid funds)	9,724	4,565	11,797	4,732	(3,928)	53,498
	70,390	80,307	90,237	146,873	138,213	177,948
(Decrease) Increase in net liquid funds	24,901	(22,793)	(23,290)	(31,118)	(31,118)	(9,028)
	95,291	57,514	66,947	115,755	107,095	168,920

Miscellaneous information

The Burmah group

Analyses of ordinary stockholdings

The distribution of ordinary stock at 31st December 1973 was:

Range	Number of holdings	%	Amount of stock held	%
£1 to £200	72,505	44·6	8,172,363	5·7
£201 to £500	53,742	33·1	18,300,113	12·7
£501 to £1,000	21,692	13·4	16,098,105	11·2
£1,001 to £2,000	9,243	5·7	13,261,768	9·2
£2,001 to £5,000	3,511	2·2	10,724,880	7·4
£5,001 to £50,000	1,399	0·8	19,678,215	13·7
over £50,000	285	0·2	57,651,013	40·1
	162,377	100·0	£143,886,457	100·0

There were also 21,341 registered holders of ordinary stock warrants 1972/75

The classification of ordinary stockholdings at 31st December 1973 was:

	Number of holdings	%	Amount of stock held	%
Banks and nominee companies	9,926	6·1	33,816,111	23·5
Insurance companies	312	0·2	18,661,766	12·9
Pension funds	234	0·1	5,437,414	3·8
Investment and unit trusts	145	0·1	10,184,841	7·1
Local government	169	0·1	2,237,093	1·6
Charities and societies	272	0·2	2,095,490	1·5
Other corporate bodies	1,269	0·8	4,369,421	3·0
Others	150,050	92·4	67,084,321	46·6
	162,377	100·0	£143,886,457	100·0

Burmah's interest in BP's profit

	£ million 1973 (21·5%)	£ million 1972 (21·5%)
Profit before taxation	243·0	157·1
Taxation	174·2	141·6
Profit after taxation	68·8	15·5
Minority interests	2·1	0·4
	66·7	15·1
Transitional relief	2·1	3·7
	68·8	18·8

Executive directors and senior management

The Burmah group

*†N J D Williams	Chief executive and managing director
*†P G Simonis	Assistant managing director
*†J D Dewhurst	Assistant managing director
*†W R Gage	Director, finance, legal, taxation and financial planning
*†W P G MacLachlan	Director, personnel, property; India, Pakistan, Bangladesh, Ecuador, Peru
*†E E K Schliemann	Director, Burmah Castrol and Edwin Cooper
†H S Butterworth	Director, Burmah-Castrol UK
†D Thatcher	Director, planning and control
†H B Thomas	Director, corporate development
†J E Harvey	Director, public affairs
†J D Alun-Jones	Director, industrial products ; Africa
†A Bentley	Director, engineering ; Eastern Europe, Far East, South East Asia
†S E Churchfield	Director, exploration and production
†A J Knights	Director, Australia ; South and Central America
†M J Roberts	Director, USA
E J Kulukundis	President, Burmah Oil Tankers
W H Thompson Jr	President, Signal Oil and Gas
C H Band	Divisional director, Burmah Oil (North Sea)
J A Hancock	Divisional director, Edwin Cooper
E D Reid	Divisional director, property
G N S Robertson	Divisional director, finance planning and services
R A A Smith	Divisional director, personnel
J A Leiper	Secretary
M A R Hastings	General counsel
J C Finlay	Chief representative, India
V W Good	Chief representative, South East Asia and Far East
J H A Midwood	Chief representative, Pakistan
D E Mitchell	Chief representative, Canada
M J Roberts	Chief representative, USA
K F D Wilson	Chief representative, Australia
A E S Clifford	Chief executive, Burmah Engineering
J E Coloma	Chief executive, Anglo-Ecuadorian
G L Gilks	Chief executive, Quinton Hazell
J G Griffiths	Chief executive, Burmah Castrol Europe
M J W Lofting	Chief executive, Australia north-west shelf operations
D E Mitchell	Chief executive, Great Plains Development
J A Roberts	Chief executive, Burmah Industrial Products
W Siddall	Chief executive, Halfords
A R Stern	Chief executive, Burmah Oil Development Inc
D M Keith	General manager, Japan

*Director of The Burmah Oil Company Limited

†Director of Burmah Oil Trading Limited, the group's principal trading subsidiary





Chairman's statement to stockholders

Interim dividend

Your directors have today declared an interim dividend for the year 1974 of 5·36p per £1 unit of ordinary stock (1973 4·62p). This dividend together with the related tax credit (33/67ths) is equivalent to a gross dividend of 8·00p. (1973 3/7ths and 6·60p).

The interim dividend will be paid on 9th January 1975 to ordinary stockholders on the register at the close of business on 15th November 1974.

Trading results

As forecast, the results of the first six months of 1974 show a substantial improvement on last year's figures, despite difficult trading conditions in the UK and in continental Europe, particularly in Belgium, where, in common with other companies, heavy losses were incurred before the Belgian government permitted some improvement in product prices. In the United States, however, an important contribution to profits has come from Burmah Oil and Gas Company (acquired as Signal Oil and Gas Company) after covering interest on the acquisition loans.

Higher interest charges for the first half of 1974 reflect the higher level of borrowing, mainly on account of the Signal acquisition, and also higher rates of interest on short-term loans.

The year's prospects

It is now clear that the considerable world-wide reduction in consumption of oil products is continuing and must inevitably affect profits in the second half year.

This situation has also led to a marked fall in requirements for tankers, which has continued to depress the spot market. However, a large and increasing proportion of our tanker tonnage is being placed under long-term arrangements and this process will accelerate as the Bahamas transhipment terminal comes into operation in November.

Overall, however, it is unlikely in present circumstances that the total profits for 1974 will reach the level achieved last year.

19th September 1974

*J A Lumsden
Chairman*

Name

The Earl of Inchcape
 Vice-Chairman of the Company
 Chairman of Penninsular & Oriental
 Steam Navigation Company

J.E. Sisson
 Vice-Chairman of the Company

N.J.D. Williams
 Managing Director and Chief
 Executive of the Company

P.G. Simonis
 Assistant Managing Director
 of the Company

J.D. Dewhurst
 Assistant Managing Director
 of the Company

R.E. Fleming
 Merchant Banker

W.R. Gage
 Executive Director
 of the Company

L.M. Harper Gow, M.B.E.
 Shipowner

W.P.G. MacLachlan, M.B.E.
 Executive Director
 of the Company

E.E.K. Schliemann
 Executive Director
 of the Company

H.R. Tainsh
 Director of the Company

J.A. Leiper
 Secretary of the Company

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 Broome Manor Lane, Swindon
 Wiltshire

Leygore Manor, Northleach
 Gloucestershire

St. Margarets, 38 Hawthorn Road
 Wallington, Surrey

Eventyr, Longniddry
 East Lothian

The Pound House, Sandy Lane
 Oxted, Surrey

7, Cecily Hill
 Cirencester
 Gloucestershire

The Garden House, Plough Road
 Smallfield, Horley, Surrey

The Paddock, Gaston Lane
 Sherston, Malmesbury, Wiltshire

CERTIFICATE

Pursuant to a resolution duly passed by its Board of Directors, THE BURMAH OIL COMPANY LIMITED hereby applies for listing of the above-mentioned securities on The Toronto Stock Exchange, and the undersigned officers thereof hereby certify that the statements and the representations made in this application and in the documents submitted in support thereof are true and correct.

THE BURMAH OIL COMPANY LIMITED

By: W.R. Gage ,



J.A. Leiper ,

DISTRIBUTION OF ORDINARY STOCK AS OF JULY 15, 1974

Number				Shares
3,207	Holders of	1 — 24 share lots		224,571
23,268	Holders of	25 — 99 share lots		1,369,792
38,429	Holders of	100 — 199 share lots		5,127,133
28,930	Holders of	200 — 299 share lots		6,783,377
16,563	Holders of	300 — 399 share lots		5,566,122
8,722	Holders of	400 — 499 share lots		3,731,002
25,521	Holders of	500 — 999 share lots		16,263,351
17,445	Holders of	1,000 — up share lots		104,906,878
162,085	Shareholders		Total shares	143,972,226

APPENDIX (Item 9)

SUBSIDIARIES

Name	Date of Incorporation	Country of Incorporation	Class	Par Value of Capital	Authorized	Issued	Percentage owned	Company actually holding Shares	Nature of Business
Anglo-Ecuadorian Oilfields Ltd.	April 9, 1919	England	Ordinary	50p	£4,500,000	£4,500,000	51.216	The Burmah Oil Company Limited	Exploration, production of crude oil, and refining and marketing of petroleum
Assam Oil Company Ltd.	April 29, 1899	England	Ordinary	£1	£4,000,000	£4,000,000	100	The Burmah Oil Company Limited	Integrated oil company
Burmah Castrol Europe Ltd.	March 5, 1958	England	Ordinary	£1	£100	£100	100	The Burmah Oil Company Limited	Management company for Burmah Group in Europe
Burmah Engineering Company Ltd.	May 19, 1954	England	Ordinary	£1	£25,000	£500	100	The Burmah Oil Company Limited	Management company for Group's engineering interests
Burmah Industrial Products Ltd.	February 23, 1934	England	Ordinary	25p	£500,000	£500,000	100	The Burmah Oil Company Limited	Building and electrical materials
Burmah Investments Ltd.	May 22, 1950	England	Ordinary	£1	£1,000	£100	100	The Burmah Oil Company Limited	Holding stock in BP
The Burmah Oil Co. (India Trading) Ltd.	December 22, 1939	Scotland	Ordinary	£1	£500,000	£500,000	100	The Burmah Oil Company Limited	Hiring out facilities for petroleum distribution
The Burmah Oil Co. (Overseas) Ltd.	December 22, 1939	Scotland	Ordinary	£1	£416,000	£416,000	100	The Burmah Oil Company Limited	Holding company for shares in Group's Australian companies
The Burmah Oil Co. (Pakistan Trading) Ltd.	December 31, 1947	Scotland	Ordinary	£1	£200,000	£200,000	100	The Burmah Oil Company Limited	Agency and other facilities in Pakistan
Burmah Oil (Morocco) Ltd.	June 6, 1973	Scotland	Ordinary	£1	£1,000	£2	100	The Burmah Oil Company Limited	Exploration
Burmah Oil (North Sea) Ltd.	December 22, 1939	Scotland	Ordinary	£1	£16,000	£16,000	100	The Burmah Oil Company Limited	Exploration
Burmah Oil Somalia Ltd.	June 26, 1954	England	Ordinary	£1	£100	£2	100	The Burmah Oil Company Limited	Exploration
Burmah Oil Trading Ltd.	March 13, 1908	England	Ordinary	£1	£5,000,000	£3,638,462	100	The Burmah Oil Company Limited	Oil refining, manufacturing and marketing

Name	Date of Incorporation	Country of Incorporation	Class	Par Value of Capital	Authorized	Issued	Percentage owned	Company actually holding Shares	Nature of Business
Apex Petroleum Ltd.	September 28, 1964	England	Ordinary 4% Preference	£1 £1	£10,001 £40,000	£101 £40,000	100 100	Burmah Oil Trading Limited	Oil marketing
Castrol Ltd.	January 23, 1918	England	4% Preference Ordinary	£1 50p	£2,000,000 £8,000,000	£1,500,000 £6,364,130	100 100	Burmah Oil Trading Limited	Lubricant marketing
Burmah-Castrol Company Ltd.	November 6, 1935	England	Ordinary	£1	£10,000	£500	100	Castrol Limited	Management company for fuels and lubricants marketing
Burmah-Castrol Industrial Ltd.	May 5, 1896	England	5% Preference Ordinary	£10 £10	£100,000 £150,000	£100,000 £150,000	100 100	Castrol Limited Castrol Limited	Industrial and marine lubricant marketing
Petroleum Wholesale Ltd.	August 13, 1938	England	Ordinary	£1	£100	£2	100	Castrol Limited	Wholesale oil marketing
Veedol International Ltd.	November 28, 1973	Scotland	Ordinary	£1	£2,000	£2	100	Castrol Limited	Collects royalties
Petrocarbon Developments Ltd.	December 19, 1946	England	Ordinary	5p	£250,000	£75,000	100	Burmah Oil Trading Limited	Chemical plant design
Burmah Oil Waxes Ltd.	December 31, 1947	Scotland	Ordinary	£1	£100	£100	100	The Burmah Oil Company Limited	Purchases wax for resale
J.H. Carruthers & Co. Ltd.	December 6, 1922	Scotland	Ordinary	£1	£275,000	£271,742	100	The Burmah Oil Company Limited	Heavy cranes
Edwin Cooper & Co. Ltd.	August 1, 1901	England	Ordinary	£10	£2,000	£2,000	100	The Burmah Oil Company Limited	Chemical additives
Flexibox Ltd.	April 13, 1945	England	Ordinary	£1	£100,000	£75,000	100	The Burmah Oil Company Limited	Mechanical seals
Halfords Ltd.	March 28, 1907	England	Ordinary	25p	£2,600,000	£2,554,925	100	The Burmah Oil Company Limited	Retailing motor accessories
Quinton Hazell (Holdings) Ltd.	June 14, 1948	England	Ordinary	10p	£7,500,000	£6,395,125	100	The Burmah Oil Company Limited	Automotive components
Standard Motorists Centres Ltd.	February 5, 1962	England	Ordinary	20p	£1,000,000	£995,739	100	Quinton Hazell (Holdings) Limited	Tires and batteries
Major & Co. Ltd.	May 14, 1906	England	8% Preference Ordinary	10p 10p	£50,000 £950,000	£50,000 £421,380	100	The Burmah Oil Company Limited	Oil marketing
Manchester Oil Refinery (Holdings) Ltd.	March 9, 1948	England	Ordinary	25p	£1,075,000	£730,000	100	The Burmah Oil Company Limited	Holding company for companies engaged in petroleum products in Eire, S. Africa, Canada

Name	Date of Incorporation	Country of Incorporation	Class	Par Value of Capital	Authorized	Issued	Percentage owned	Company actually holding Shares	Nature of Business
Petroleum Supplies & Services Ltd.	December 29, 1950	Scotland	Ordinary	£1	£1,000	£1,000	100	Petroleum Supplies & Services (Bermuda) Limited	Oil purchases and sales
The Rawlplug Co. Ltd.	May 26, 1932	England	15% 2nd Pref. 7% 1st Pref. Ordinary	£1 £1 £1	£50,000 £75,000 £1,500,000	£50,000 £75,000 £1,350,000	100	The Burmah Oil Company Limited	Masonry fixing systems
Burmah Oil Australia Ltd.	November 16, 1965	Australia	Ordinary	\$A1	\$A2,000,000	\$A1,151,057	100	The Burmah Oil Company (Overseas) Limited	Marketing and holding company
Basin Oil NL	May 31, 1968	Australia	Ordinary	50 cents	\$A15,000,000	\$A3,787,962	30.8	Burmah Australia Explorations Pty. Limited Reef Oil	Exploration
BOC of Australia Ltd.	January 31, 1961	Papua	Ordinary	\$A5 \$A2	\$A19,000,000 \$A 2,500,000	\$A18,730,645 \$A 2,249,162	54.48	Woodside-Burmah Oil NL	Exploration
Mid-Eastern Oil NL	February 14, 1962	Australia	Ordinary	50 cents	\$A40,000,000	\$A15,150,000	54.48	Woodside-Burmah Oil NL	Exploration
Reef Oil NL	September 11, 1968	Australia	Ordinary	25 cents	\$A20,000,000	\$A5,358,076	67	Burmah Oil Australia Explorations Limited	Exploration
Vamgas NL	August 13, 1968	Australia	Ordinary	50 cents	\$A20,000,000	\$A10,000,000	53.14	Mid-Eastern Oil	Exploration
Woodside Oil NL	July 29, 1954	Australia	Ordinary	50 cents	\$A40,000,000	\$A29,000,000	54.48	Woodside-Burmah Oil NL	Exploration
Woodside-Burmah Oil NL	August 17, 1971	Australia	Ordinary	50 cents	\$A100,000,000	\$A75,000,000	54.48	Burmah Oil Australia Explorations Limited	Exploration
Burmah Australia Exploration Pty. Limited	November 20, 1969	Australia	Ordinary 8% Preference	\$A1 \$A15,000	\$A985,000 \$A15,000	\$A924,188 \$A15,000	100	Burmah Oil Australia Limited	Management of exploration Companies
Castrol Austria GmbH	February 2, 1957	Austria	Ordinary Stock N.P.V.		A.Sch 5,500,000	A.Sch 5,500,000	100	Castrol Limited	Lubricants marketing
Burmah Oil Tankers Ltd.	November 5, 1970	Bermuda	Ordinary	£1	£5,000	£5,000	100	Burmah Oil Trading Limited	Tanker operations
Petroleum Supplies & Services (Bermuda) Ltd.	March 13, 1963	Bermuda	Ordinary	£1	£5,000	£5,000	100	The Burmah Oil Company Limited	Oil purchases and sales
Burmah-Castrol (Canada) Ltd.	December 22, 1954	Canada	Common	C\$100	C\$1,000,000	C\$700,000	100	Castrol Limited	Lubricants marketing
Burmah Oil Canada Ltd.	June 6, 1963	Canada	Common	C\$1	C\$3,000,000	C\$2,097,765	100	The Burmah Oil Company Limited	Holding company

Name	Date of Incorporation	Country of Incorporation	Class	Par Value of Capital	Authorized	Issued	Percentage owned	Company actually holding Shares	Nature of Business
Great Plains Development Co. of Canada Ltd.	March 15, 1950	Canada	Common	C\$1	C\$6,000,000	C\$3,244,864	99	Burmah Oil Canada Limited	Exploration and production
The Tinplate Co. of India Ltd.	December 18, 1922	India	Preference Equity	Rs100 Rs10	Rs15,000,000 Rs85,000,000	— Rs12,500,000	66.7	The Burmah Oil Co. (India Trading) Limited	Tinplate manufacturing
Burmah Europe SA	April 15, 1968	Belgium	Nominative Ordinary	B.Fr. 1,000	B.Fr23,304,000	B.Fr23,304,000	100	The Burmah Oil Company Limited	Management company
Burmah Trading NV	February 19, 1922	Belgium	Nominative Ordinary	B.Fr 1,000	B.Fr48,154,000	B.Fr48,154,000	6.5	The Burmah Oil Company Limited	Oil marketing
SA des Huiles Castrol	May 2, 1921	France	Ordinary	FFr100	FFr5,700,000	FFr5,700,000	100	Castrol Limited	Lubricants marketing
Deutsche Castrol GmbH	December 21, 1949	Germany	Ordinary	N.P.V.	DM21,000,000	DM21,000,000	100	Castrol Limited	Lubricants marketing
Tabbert Wohnwagenwerke GmbH	April 13, 1959	Germany	Ordinary	N.P.V.	DM300,000	DM300,000	100	Deutsche Castrol	Caravans
Deutsche Veedol GmbH	April 16, 1925	Germany	Ordinary	N.P.V.	DM24,000,000	DM24,000,000	100	Deutsche Castrol	Lubricants marketing
Burmah-Castrol Nederland GmbH	December 1, 1955	Holland	Ordinary	DFI 1,000	DFI 15,000,000	DFI 8,923,000	100	The Burmah Oil Company Limited	Oil marketing
Burmah-Castrol Espana SA	May 30, 1972	Spain	Ordinary	Ptas 1,000	Ptas 2,000,000	Ptas 2,000,000	100	Castrol Limited	Oil marketing
Castrol A/B Sweden A/B Svenska Uno-X	May 15, 1931	Sweden	Ordinary	SKr100	SKr800,000	SKr800,000	100	Castrol Limited	Lubricants marketing
Castrol do Brasil SA	January 1, 1968	Brazil	Ordinary	Sk100	Sk500,000	Sk500,000	100	Castrol A/B Sweden	Oil marketing
Pakistan Petroleum Ltd.	July 31, 1956	Pakistan	Ordinary	Cr\$10	Cr\$42,000,000	Cr\$42,000,000	100	Castrol Limited	Lubricants marketing
Castrol South Africa (Pty.) Ltd.	June 5, 1950		Ordinary	Rs100	Rs200,000,000	Rs117,500,000	70	The Burmah Oil Company Limited	Exploration and production
Burmah Oil Inc.	March 15, 1966	S. Africa	Ordinary	R1	R3,040,000	R3,040,000	100	Castrol Limited	Lubricants marketing
Burmah Oil Development Inc.	October 26, 1971	U.S.A.	Common	US\$1	US\$1,078	US\$1,078	100	The Burmah Oil Company Limited	Holding company
Signal Oil & Gas Co.	September 30, 1970	U.S.A.	Common	US\$1	US\$21,750	US\$21,750	100	Burmah Oil Inc.	Exploration and production
	October 31, 1967	U.S.A.	Common	US\$50,000	US\$5,000,000	US\$5,000,000	100	Burmah Oil Inc.	Exploration and production of oil and gas

<u>Name</u>	<u>Date of Incorporation</u>	<u>Country of Incorporation</u>	<u>Class</u>	<u>Par Value of Capital</u>	<u>Authorized</u>	<u>Issued</u>	<u>Percentage owned</u>	<u>Company actually holding Shares</u>	<u>Nature of Business</u>
Castrol Oils Inc.	September 16, 1959	U.S.A.	Common	US\$100	US\$615,500	US\$615,500	100	Burmah Oil Inc.	Lubricants marketing
Edwin Cooper Inc.	November 1, 1969	U.S.A.	Common	US\$1	US\$1,000	US\$1,000	100	Burmah Oil Inc.	Chemical additives

